



ANNUAL REPORT 2025

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YOUR FINANCIAL FUTURE BUILT ON JAPANESE QUALITY AND TRUST



OVERVIEW

01

J TRUST ROYAL AT A GLANCE

NET PROFIT
USD 10.5 million

TOTAL ASSETS
USD 1,506 million

GROSS LOANS
USD 966 million

CUSTOMER DEPOSITS
USD 947 million

+3.8% ↑ TOTAL EQUITY

USD 286 million

0.7% RETURN ON ASSETS

3.7% RETURN ON EQUITY

622
TOTAL EMPLOYEES

89
ATM NETWORK

90%
EMPLOYEE ENGAGEMENT

J TRUST ROYAL BANK'S BACKGROUND

J TRUST ROYAL BANK

J Trust Royal Bank is a prominent joint venture between **J Trust Co., Ltd.**, a Japanese diversified financial holding company listed on the Tokyo Stock Exchange, and **Royal Group Finance Co., Ltd.**, part of the Royal Group of Companies, one of Cambodia's largest investment conglomerates, operating in the country for more than three and a half decades. The Bank has been operating for more than twenty years, combining global financial strength and operational excellence with deep local market insight, enabling it to serve customers with international standards while remaining closely attuned to Cambodia's evolving financial landscape.

J Trust Royal Bank is one of Cambodia's leading commercial banks, providing wide range of financial services to Cambodian customers and expatriates across the Kingdom. With more than 600 employees, the Bank operates 17 branches in Phnom Penh, Siem Reap, Battambang, Kampong Cham, and Sihanoukville, serving clients across Personal, Premier, SME, and Corporate Banking.

ABOUT J TRUST

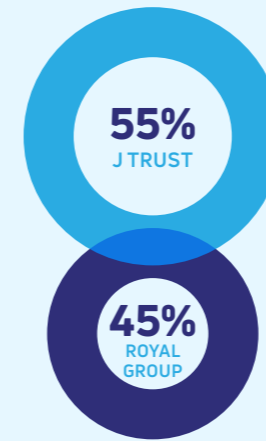
Headquartered in Tokyo, listed in Tokyo Stock Exchange, J Trust is a financial services group operating banking and financial businesses in Asia such as Japan, South Korea, Indonesia, and Cambodia.

J Trust has expanded rapidly in financial services through acquisitions of Japan domestic finance and credit card companies. In 2012 it launched a South Korean Savings bank business, leveraging the expertise it had developed in Japan. In 2014, it acquired a finance company and a commercial bank in Indonesia. In August 2019, it bought a commercial bank in Cambodia.

ABOUT ROYAL GROUP

The Royal Group is the premier investment and development company in Cambodia and holds a 45% share in J Trust Royal. The company is focused on bringing quality investment to Cambodia and providing investors with the platform to run successful and profitable operations. The Royal Group has been at the heart of Cambodia's economic development for more than two decades, attracting international investors and building market leaders in a cross-section of industries.

The company is recognized as the country's most dynamic and diversified business conglomerate. Established as a strategic investment holding company, it maintains interests in a wide range of industries including telecommunication, media, banking, insurance, resorts, education, property, trading and agriculture.



OUR PEOPLE

2025

A Year of Growth, Connection, and Collective Strength

In 2025, our people remained the center of our progress and the driving force behind every milestone we achieved. Throughout the year, we strengthened our focus on learning, well being, and inclusion to cultivate a future ready workforce. By continuously investing in our people, we are building not only stronger capabilities, but a sustainable future.



HIGHLIGHTS OF 2025



Empowering Growth Through Learning & Development



In a world changing faster than ever, we continue equipping our people with the skills, mindsets, and opportunities needed to lead the future.

- We continued expanding growth opportunities through technical, leadership, and personal development programs. Our teams collectively recorded **over 5,000 hours** of classroom learning.
- Learning extended beyond the classroom: our employees completed **more than 10,000 courses** on LinkedIn Learning, an average of **14 courses per person**, demonstrating a strong appetite and commitment for continuous development.
- We delivered signature leadership development programs—including Leadership Essentials, Coaching Program, Change Management, Design Thinking, and more—to strengthen our leadership pipeline and equip our leaders with the skills needed to navigate change, and thrive.
- This year we sponsored **19 employees** for advanced local and international certifications, marking another step in our commitment to talent acceleration.
- Altogether, we invested **over USD 110,000** to nurture the next generation of leaders and workforce—because their growth shapes our future.



Strengthening Recognition, Engagement & Wellbeing



We believe a workplace thrives when people feel valued, supported, and inspired. In 2025, we continued building an environment where success and well being go hand in hand.

- To maintain clarity and alignment in a fast moving environment, we hosted targeted communication platforms including Management Townhalls, Senior Leadership Team Offsites, EXCO Roadshows, and Business Roadshows, ensuring we stay connected to the bank's strategic direction.
- Our recognition programs continued to foster a culture of excellence. In 2025, our enhanced Annual Awards introduced a standout reward—a trip to Tokyo for individual award winners, honoring those who consistently go above and beyond. As part of this recognition experience, awardees had the unique opportunity to visit the J Trust Group Headquarters in Tokyo and were privileged to meet and engage with the Group Chairman, further strengthening their connection to the organization's broader vision and leadership.
- Our Employee Engagement Score reached an impressive **90%**, reflecting a 1% increase from previous year, while our attrition remained **below 7%**—a true reflection of a culture built on trust, connection, and shared purpose.



Driving a Culture of Diversity, Equity & Inclusion



In 2025, we continued embedding a culture where every individual feels seen, heard, and valued.

- Our ICARE values—Integrity, Collaboration, Accountability, Respect, Engagement—continued guiding our actions and shaping how we work with colleagues, customers, and communities.
- We advanced our diversity and inclusion agenda by strengthening cross generational collaboration and fostering greater organizational cohesion. Targeted learning sessions were introduced for both Gen Z employees and people managers to address generational differences, align workplace expectations, and enhance communication effectiveness. The initiative contributed to a more inclusive and respectful culture.



Promoting Khmer Riel



In alignment with national monetary policy, J Trust Royal Bank proactively introduced partial payroll payments and staff loan offerings in Khmer Riels in 2025, contributing to the promotion of the Cambodian local currency. This initiative underscores the Bank's commitment to supporting local currency utilization, strengthening internal financial practices, and fostering greater confidence in the use of Khmer Riels among our employees.

ACE Forward



As we look ahead, our commitment remains clear: to cultivate a workplace where people feel empowered to grow, inspired to lead, and motivated to contribute. Together, we are shaping a future defined by resilience, innovation, and shared success.

OUR VALUES

Our purpose is to help customers prosper. We live our purpose everyday through our values and behaviors, which are reflected on how we serve our customers, how we treat each other, and the results we achieve together as an organization.



I NTEGRITY

Honest, Authentic, and impartial



C OLLABORATION

Work together as one



A CCOUNTABILITY

Take ownership to get the job done



R ESPECT

Value and care for all



E NGAGEMENT

Passionately involve and create values for our stakeholders

AWARDS & RECOGNITION

At J Trust Royal Bank, customer experience, convenience, and flexible payment solutions have always been our top priorities. We continuously strive to enhance our products, services, and offerings to ensure we provide our customers with the best possible options and added value.

As part of our commitment to advancing banking solutions, we launched the Credit Card Installment Plan, designed to provide greater convenience by enabling customers to spread the cost of their purchases efficiently while simplifying their budgeting.

In recognition of our dedication to excellence, and thanks to the continued support and trust of our customers, we are deeply honored to be recognized by Visa Cambodia with the prestigious "Champion in Innovation 2025 Award".

This recognition belongs to all of you—our valued customers and partners. We extend our heartfelt gratitude and look forward to continuing to serve you with even more innovative offerings in the future.



KEY MESSAGE

02



NEAK OKNHA KITH MENG
CHAIRMAN



Trust is our most valuable capital, built through disciplined stewardship and preserved to create sustainable value for generations to come.

CHAIRMAN'S MESSAGE

Financial year 2025 was a year that tested resilience and reaffirmed the central role of trust in banking. Amid evolving economic conditions and regional uncertainties, J Trust Royal Bank remained focused on its purpose—to deliver responsible banking while creating meaningful and enduring value for the society we serve.

STEWARDSHIP THROUGH TRUST AND FINANCIAL RESILIENCE

Throughout the year, the Board of Directors exercised diligent oversight to ensure that the Bank remained well governed, financially sound, and fully aligned with regulatory expectations. In close partnership with the Management team, we maintained a disciplined focus on balance sheet strength, capital adequacy, and long term stability—fundamental pillars for preserving confidence among our stakeholders and safeguarding the Bank's future.

This disciplined stewardship is reflected in the Bank's strong capital position. As at the end of FY2025, J Trust Royal Bank recorded a **Solvency Ratio of 20.59%**, supported by a **Liquidity Coverage Ratio of 372%**, well above the regulatory requirement of 100%. Together, these indicators represent not only financial strength, but reassurance—to depositors, customers, and partners—that the Bank is well positioned to navigate uncertainty with resilience and responsibility.

While navigating a challenging operating environment, the Bank continued to execute its strategy with discipline and care. The Board supported deliberate efforts to balance growth ambitions with sound risk discipline—strengthening the Bank's foundations, enhancing service quality, and preparing the organization for a more digital and customer centric future, always guided by a measured and responsible approach to growth.

A UNIFIED VISION AND STRATEGIC DIRECTION

During the year, the Board and Management further sharpened the Bank's strategic direction, anchored by a unified Vision that clearly articulates our purpose and long term ambition.

Our refined Vision —

"To be the trusted financial partner that delivers sustainable growth for our customers and communities."

This vision places **TRUST** at the heart of everything we do. It reflects our conviction that enduring success is built not only on financial performance, but on integrity, accountability, and long term relationships with customers, partners, regulators, and communities. By unifying our purpose and ambition into a single guiding statement, we have strengthened organizational alignment and reinforced a shared commitment to responsible and sustainable growth.

EMPOWERING COMMUNITIES, SUPPORTING THE NATION

Beyond financial results, the Board firmly believes that the Bank has a responsibility to contribute positively to Cambodia's social and economic development. In FY2025, J Trust Royal Bank continued to advance its long standing commitment to **empowering Cambodians through financial literacy and education**. Through targeted programs and partnerships, the Bank supported initiatives that promote financial awareness among students, young people, and underserved communities—recognizing financial literacy as a cornerstone of inclusive growth and a vital investment in Cambodia's future.

The Bank also stood alongside communities during times of hardship. In response to the Cambodian–Thailand border clash, J Trust Royal Bank extended financial relief to affected customers and provided humanitarian assistance amounting more than USD 1 million to impacted Cambodian families. This support helped address immediate needs and restore a sense of stability during a challenging period. These actions reflect our belief that responsible banking extends beyond financial services—it is about standing with communities when support is most needed.

LOOKING AHEAD

On behalf of the Board, I acknowledge the dedication and professionalism of Management and employees, whose commitment continues to translate strategy into meaningful progress. I also recognize the guidance and oversight of our regulators and the continued confidence of our shareholders in the Bank's long term direction.

Looking ahead, the Board remains committed to protecting the interests of all stakeholders and upholding the trust entrusted to J Trust Royal Bank. Guided by strong governance, sound capital strength, and a clear long term strategy, the Bank will continue to operate with prudence and responsibility—providing stability, reliability, and confidence to those we serve, today and in the years ahead.



TORU MYOCHIN

CHIEF EXECUTIVE OFFICER



“Our ambition is to be a trusted financial partner by growing responsibly alongside our customers and communities, ensuring that today’s progress translates into sustainable value for the future.”

CEO'S MESSAGE

PROGRESS WITH GRATITUDE AND PURPOSE

As we close the financial year 2025, I would like to begin by expressing my sincere appreciation to our customers, shareholders, regulators, partners, board of directors, and JTRB employees for their continued trust and support. In a year that demanded resilience, discipline, and adaptability, the collective commitment of our stakeholders enabled J Trust Royal Bank to make steady progress while remaining firmly focused on long-term sustainability.

The operating environment remained challenging, marked by escalated border tensions and a credit landscape that became more volatile than ever. Against this backdrop, we remained clear in our priorities — safeguarding the Bank’s financial strength, serving our customers reliably, and continuing to invest in capabilities that will shape our future.

FINANCIAL PERFORMANCE AND RESILIENCE

In FY2025, J Trust Royal Bank maintained a strong operating scale, with **Customer Deposits of USD 947 million** and **Gross Loans of USD 966 million**, reflecting the continued trust and confidence from our customers. **Net Interest Income reached USD 49.0 million**, while **Total Revenue amounted to USD 55.4 million**.

With **Operating Expenses of USD 35.4 million**, we maintained a **cost to income ratio of 64%**, underscoring our ongoing efforts to improve efficiency while continuing to invest in critical initiatives. In a challenging credit environment, we adopted a prudent and forward looking approach to risk management, strengthening our balance sheet while cautiously managing non performing loans. As a result, the Bank continued to record a positive **Net Profit After Tax of USD 10.5 million**, reinforcing our resilience and positioning us to navigate future cycles with confidence.

EVERY ROLL-OUT, A STEP FORWARD

Alongside financial performance, FY2025 marked meaningful progress in advancing our products and digital capabilities, while strengthening our brand value proposition through strategic partnerships and collaborations.

A major milestone was the rollout of our **new JTR Mobile**, an upgraded Mobile Banking Experience that is *“Built for Trust, Designed for YOU”*. The platform delivers a more intuitive, secure, and responsive experience, reflecting our commitment to simplifying everyday banking and meeting the evolving expectations of our customers.

Every innovation we pursue is guided by a clear purpose — to deliver meaningful value, flexibility, and convenience. Anchored by this principle, we successfully enabled the application and management of our **Credit Card Installment Plan** through the mobile app, making everyday financial decisions simpler and more accessible. In recognition of this commitment, J Trust Royal Bank was awarded **Champion in Innovation FY2025 by Visa Cambodia**, reflecting our continued dedication to advancing modern, customer centric banking solutions.

We also strengthened our product offerings across key customer segments, including **Teen Accounts** that promote early financial responsibility and **SME solutions** designed to support business growth.

Beyond products and platforms, we continued to strengthen our role as a trusted financial partner through meaningful strategic partnerships, particularly within the **healthcare and education sectors**. These collaborations go beyond commercial objectives — they are designed to support access to essential services, strengthen community well being, and contribute to the long term development of Cambodian society.

At the same time, our **Business Stability Talk Series** and **Get2Know Series** continued to deepen engagement with our customers and the wider community. These sessions provide practical insights and promote financial awareness, helping individuals and businesses navigate an increasingly

complex economic environment with greater confidence. Through these efforts, we reaffirm our commitment not only to providing financial services, but also to empowering our customers and communities with knowledge, stability, and trust.

OUR PEOPLE AT THE HEART OF OUR PROGRESS

None of these achievements would be possible without our people. In FY2025, J Trust Royal Bank was supported by a dedicated team of **600+ employees**, whose professionalism, resilience, and unwavering commitment to our customers remain the foundation of our results. Throughout a year that demanded adaptability and perseverance, our teams continued to serve with care, integrity, and a strong sense of purpose.

We remain steadfast in our commitment to investing in our people — strengthening talent development, nurturing leadership capability, and fostering a culture grounded in **Integrity, Collaboration, Accountability, Respect, and Engagement**.

Our dedication to employee empowerment and engagement is reflected in the continued improvement of our **Employee Engagement Score**, which increased from 89% to **90% in FY2025**. This progress underscores the effectiveness of our people initiatives and the importance we place on employee experience. Through ongoing investment in our workforce, we are building a resilient organization—one that is well equipped to navigate today’s challenges and positioned to deliver sustainable growth in the years ahead.

LOOKING FORWARD

As we look ahead, FY2026 marks an important milestone for J Trust Royal Bank with the relocation of our **Head Office back to Kramoun Sar — our original home**. This move to a modern, purpose built banking space with enhanced facilities represents more than a physical transition. It symbolizes our enduring roots, our growth journey, and our long term commitment to Cambodia.

Through this transition, we reinforce our presence at the heart of the capital while providing a better environment for our people and a more accessible

space for our customers and partners. This investment reflects our confidence in Cambodia's future and our intention to grow alongside the communities we serve for the long term.

While uncertainties remain in the broader economic and geopolitical landscape, we move forward with a stronger foundation, advancing digital capabilities and guided by a clear strategic direction. We will continue to execute with discipline, innovate with purpose, and serve with care — always focused on creating sustainable value for our customers and stakeholders.

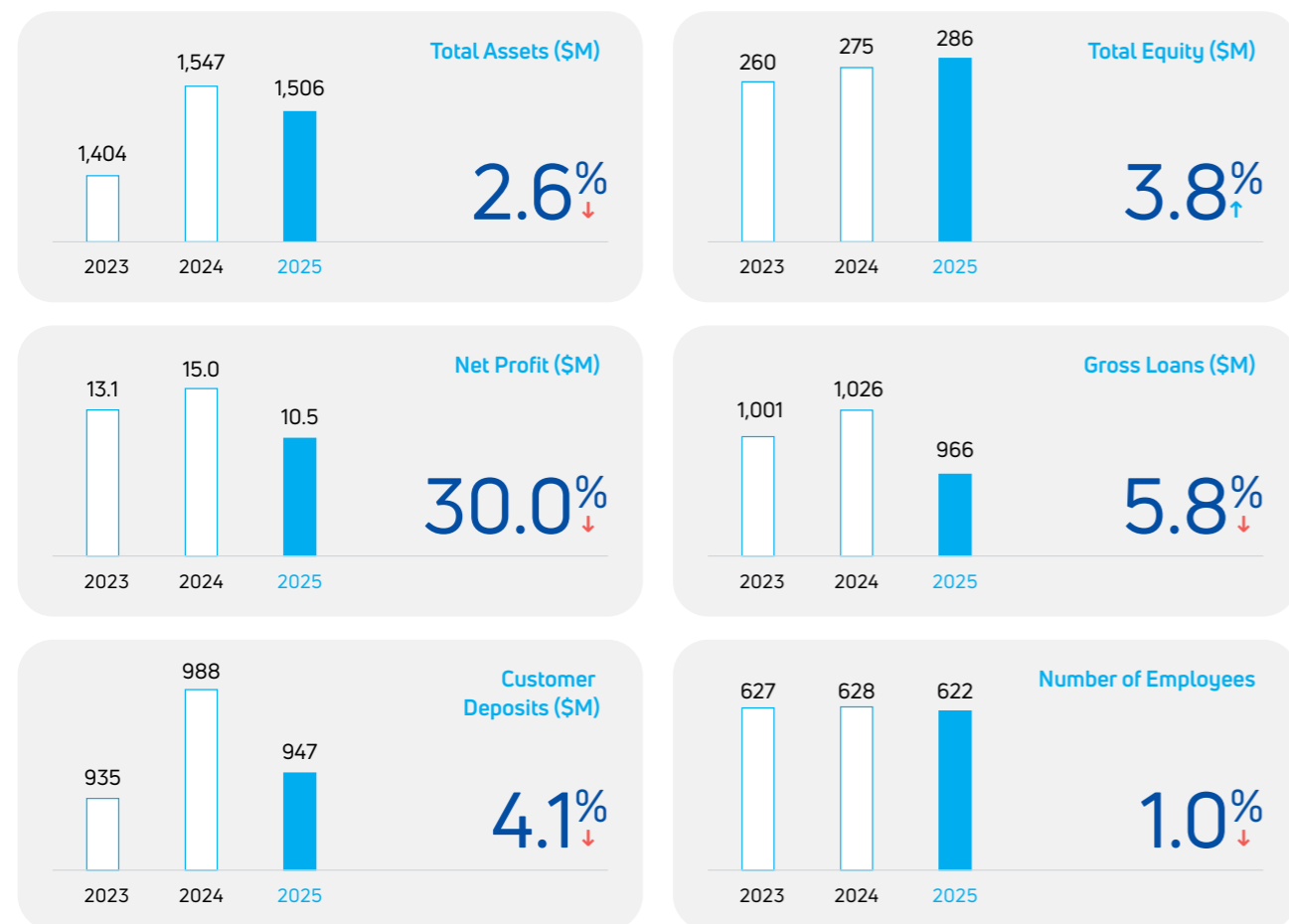
I extend my heartfelt thanks to our customers for their continued trust, to our regulators for their guidance, to our shareholders for their long term support, to our Board of Directors for their stewardship, and to our employees for their unwavering dedication.

Together, we move forward with confidence and purpose.

OUR BUSINESS

03

FINANCIAL PERFORMANCE HIGHLIGHT



All the figures presented above are extracted from Audited Financial Statement from each financial year.

2025 A YEAR OF RESILIENCE AMID UNCERTAINTY

Challenges

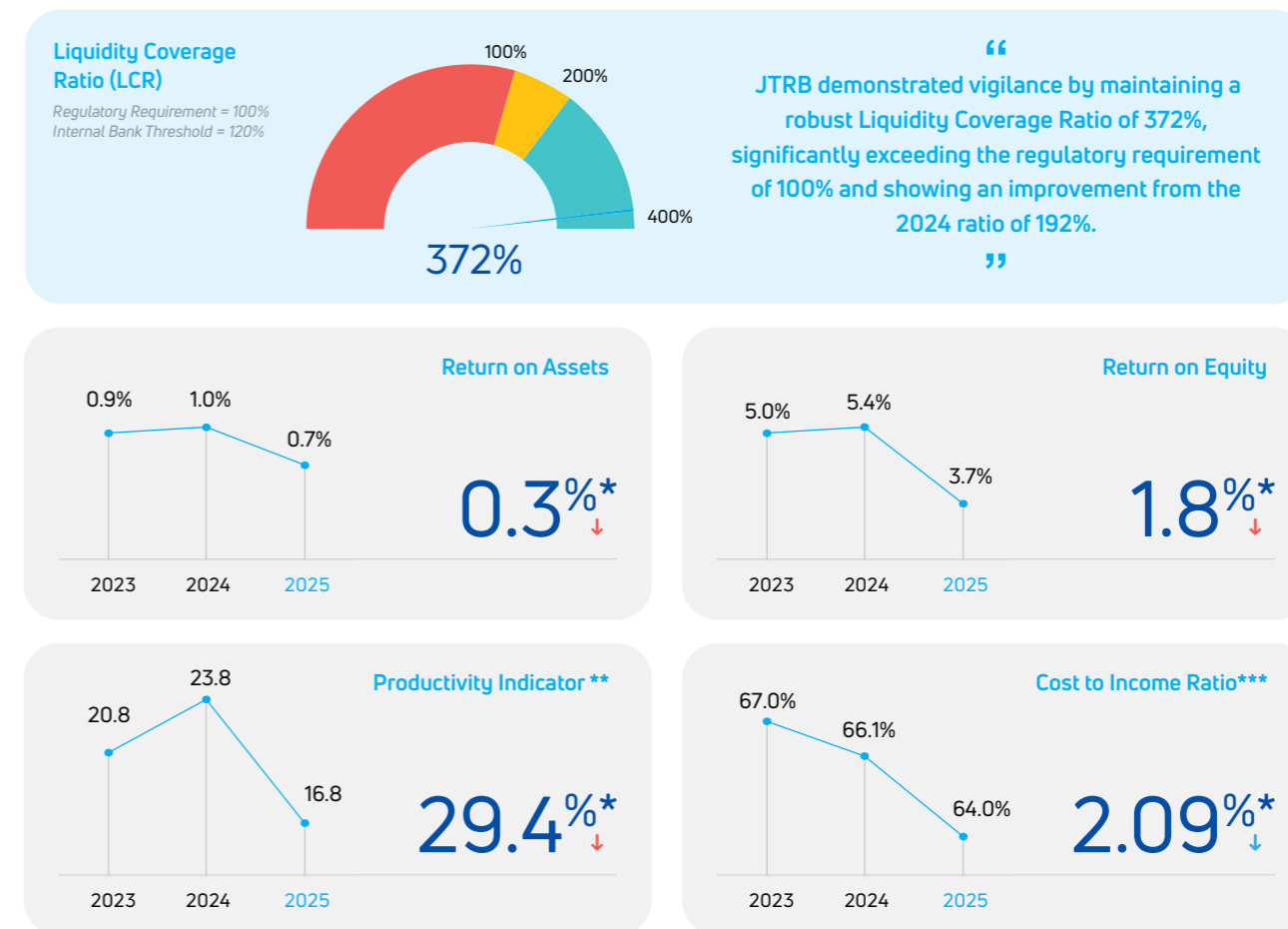
- **External factors:** Geopolitical tensions and supply chain disruptions, notably Cambodia–Thailand border disputes.
- **Credit & asset quality:** Slower credit growth; NPLs rose from ~7.2% (2024) to ~8.3% (2025)*.
- **Sector concentration:** Credit stress concentrated in real estate, construction, retail, mortgages, and agriculture (~69% of total industry loan book).

Positive Developments

- **System resilience maintained:** Banking system remained liquid and stable despite external shocks, supported by strong deposits and regulatory oversight.
- **JTRB Strong financial position:** FY2025 profit remained positive; Solvency Ratio at 20.59% and LCR at 372%, well above regulatory requirements.
- **Continued strategic investment** in new products and digital capabilities to sustain competitiveness and long term growth in Cambodia.

Note: * The data is based on NBC Annual Supervision Report 2025, Total Commercial Bank (following CIFRS).

2025 KEY PERFORMANCE METRICS



Financial Performance (\$M)	2025	2024	Movement %
Net interest income	49.0	47.4	3.2%
Other operating income	6.4	5.3	21.0%
Operating income	55.4	52.8	5.0%
Operating expenses	(35.4)	(34.9)	1.6%
Operating profit before impairment	19.9	17.9	11.4%
Impairment losses on financial instruments	(7.3)	(0.9)	737.4%
Profit before income tax	12.7	17.0	-25.5%
Income tax expense	(2.2)	(2.1)	7.5%
Net profit for the year	10.5	15.0	-30.0%

Note: * Growth rate of 2025 vs 2024
 ** Productivity Indicator (figure presented in USD'k) = Net Profit / Number of Employees
 *** Cost to Income Ratio = Total Operating Expenses / Total Revenues

- **Core earnings momentum remained positive:** Net Interest Income increased by **\$1.5 million (+3.2%)**, supported by stable lending performance and improved asset optimization. This reflects the bank's disciplined balance-sheet management amid a challenging operating environment.
- **Strong growth in diversified income streams:** Other Operating Income rose by **\$1.1 million (+21.0%)**, driven by continued momentum in foreign exchange, payment services, lending fees, and trade finance—highlighting successful revenue diversification and deeper client engagement.
- **Cost discipline alongside strategic investment:** Operating Expenses increased modestly by **\$0.6 million (+1.6%)**, while the **cost-to-income ratio improved from 66% in 2024 to 64%**. This reflects targeted investments in new products and digital platforms, including the all-new JTR Mobile, to enhance customer experience and long-term competitiveness. **Operating Profit before Impairment increased by +11.4% to \$19.9 million.**
- **Prudent provisioning amid sector-wide credit pressure:** Impairment losses increased to **\$7.3 million**, (2024: \$0.9 million), reflecting a conservative and forward-looking approach to credit risk management in response to broader industry asset-quality challenges.
- **Positive profitability maintained despite elevated credit costs:** Net Profit After Tax reached **\$10.5 million**, lower than FY2024 primarily due to higher credit losses. Nevertheless, the bank remained **profitable**, underscoring the strength of its underlying operating performance, resilience, and prudent risk management during a challenging market cycle.

CORPORATE BANKING

Our Corporate Banking focuses on delivery of international banking solutions to business throughout Cambodia.



J Trust Royal Bank offers comprehensive product solutions, including Trade Finance, Foreign Exchange, Loan Products and International Cash Management capabilities, specializing in ERP (Enterprise Resource Planning) integration for digital payables and receivables management solution. We support a wide range of SME and local corporates across manufacturing, agriculture and international trade, as well as multinational companies (MNC) who bring their international expertise to the Cambodian market. By helping these businesses succeed, we are promoting trade and capital flows within the region and across the globe, and supporting a dynamic, sustainable, and growing economy.

J Trust Royal Bank believes in fostering lasting partnerships with our customers. This approach requires an in-depth knowledge of the companies we serve and the industries in which they operate, so we are able to offer a well-structured solution customized for each business. Our best-in-class sector and industry-specific knowledge helps our customers understand global and local economy trends in international trade, shaping their strategy for future success.

Our SME and Corporate customers have dedicated relationship managers, and are supported by a team of product specialists with expertise and trust, earned from business, corporates and MNCs community. All of our bankers believe in going above and beyond to satisfy client expectations, with this service ethic being embedded in the DNA of Japanese culture.

> PRODUCTS AND SERVICES



Corporate / Business Banking Accounts: Business Check Account, Cash Management Account, Term Deposit Account, Escrow Account



Trade: Documentary Collection, Letter of Credit, Trade Finance Loan, Bank Guarantees, Standby Letter of Credit



Markets: Foreign Exchange (Value Same Day/ Tom/Spot), Corporate Tax Payment, Forward Exchange Contract (USD/KHR)



Corporate Banking Loans: Overdraft, Term Loan, Resolving Short Term Loan



Payments & Cash Management: JTR Pay (Dynamic KHQR integration Solution), Local and International Fund Transfers, Payroll Services, JTR Connect (Corporate Internet Banking Platform with full payment & notification capabilities, i.e. single & batch payment, cross currency), Host-2-Host Solution via Swift FileAct, sFTP and Swift FIN (MT101).

PERSONAL BANKING



Our Personal Banking provides trusted and personalized solutions for every individual at every stage of life.



Amid rapid social and technological developments reshaping the global banking landscape, J Trust Royal Bank has continued to strengthen its competitive position during Financial Year 2025. Among our key achievements, we successfully launched our modern Mobile Banking Application, **JTR Mobile** — a platform that has meaningfully transformed the banking experience for our customers. Since its introduction, we have observed a significant increase in mobile transactions alongside an encouraging volume of positive feedback received across various channels. The application also features an expanded suite of bill payment partners, including EDC, Solid Waste Management, Mobile Top-up and Water Supply providers, further reinforcing our commitment to delivering seamless and convenient digital banking experiences.

On the lending front, we have remained committed to our mission to provide accessible and affordable Home Loan products, enabling our customers to achieve their homeownership aspirations through competitive offerings tailored to their needs. We have also introduced a more streamlined top-up process for existing borrowers, reducing documentation requirements and making it easier for loyal clients to access additional financing.

OUR SERVICE STANDARDS

Customer centricity has been a defining principle of J Trust Royal Bank since our earliest days, and it remains at the heart of every decision we make. This commitment was reaffirmed during our most recent branch roadshow, where our senior management team — including our CEO — emphasized the critical importance of delivering exceptional customer experiences across all touchpoints.

All customer feedback is taken seriously and acted upon in a timely manner. Complaints are carefully monitored through dispute resolutions to ensure that every concern is properly addressed, and those customers are kept informed throughout the process.

In our ongoing effort to elevate the banking experience, we have redesigned and improved key processes and guidelines. Notably, our customers' onboarding journey has been redefined to ensure that clients can begin operating their accounts immediately upon completion of the account opening process. Additionally, customers with dormant accounts can now reactivate them remotely, without the need to visit a branch — a meaningful improvement driven by customer convenience.

Underneath all these efforts is our continued investment in our greatest asset — **our people**. Through targeted learning and development programs, we are equipping our teams with the skills and mindset needed to consistently deliver a customer-first banking experience.

DISCIPLINED GROWTH IN A CHALLENGING CLIMATE

The operating environment throughout financial year 2025 remained challenging on multiple fronts. The prolonged conflict in Europe continued to create

uncertainty in global markets, while the return of tariff-driven trade tensions under the second Trump administration added further pressure on international business sentiment, prompting greater economic protectionism across many nations.

Closer to home, the border conflict between Cambodia and Thailand had a direct and significant impact on our economy. The disruption to cross-border trade and commerce affected the livelihoods of thousands of individuals and businesses — particularly those operating along the Cambodia-Thailand border or with ties to Thai-owned enterprises. These combined pressures contributed to slower credit growth and a rise in non-performing loans (NPLs) across the banking sector.

Despite these challenging backdrops, J Trust Royal Bank demonstrated resilience, strengthened by our disciplined approach to credit underwriting and our unwavering commitment to maintaining portfolio quality. Our prudent lending standards have enabled us to navigate headwinds while continuing to safeguard the interests of our depositors.

Throughout this period of uncertainty, J Trust Royal Bank has remained fully compliant with all applicable laws, regulations, and guidelines, operating under the sound and steady stewardship of **The National Bank of Cambodia**.



OUR COMMUNITY

04

J TRUST ROYAL BANK IN THE COMMUNITY

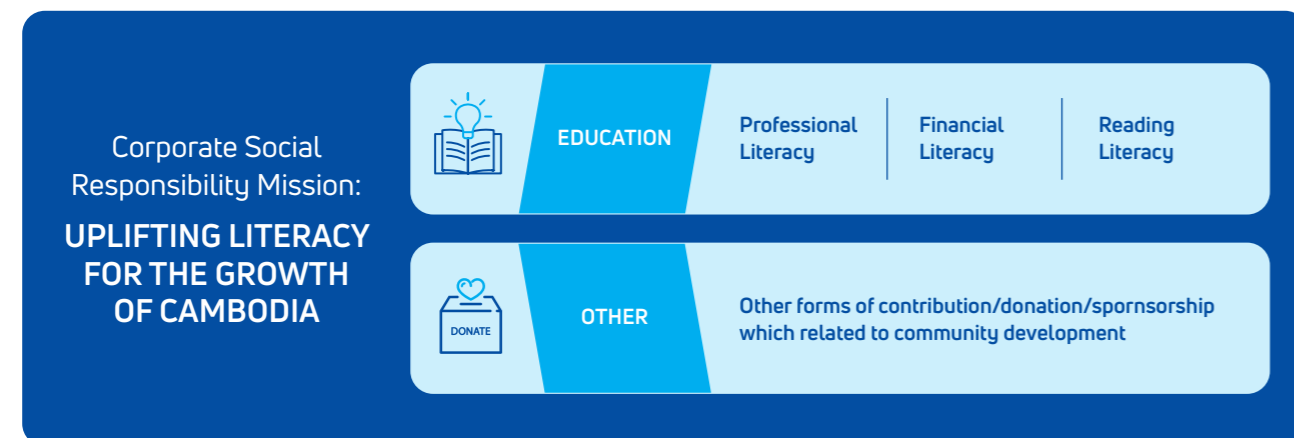
At J Trust Royal Bank, we are deeply committed to being an active and responsible corporate citizen, understanding that our success is intrinsically tied to the well-being of the communities we serve. While we fulfill this responsibility primarily through our core banking services—helping customers achieve their financial goals—we also recognize the importance of going beyond traditional banking. We are dedicated to making a lasting, positive impact by engaging in initiatives that contribute to the broader development of our community and our country.



Since our founding in 2005, this commitment has been at the heart of our operations. Our staff have generously volunteered thousands of hours and raised substantial funds, with a clear focus on improving education and employment opportunities for marginalized and disadvantaged individuals. These efforts reflect our long-term dedication to social good and our belief that meaningful change comes from consistent, collective action.

J Trust Royal Bank is proud to continue our Corporate Social Responsibility (CSR) mission of “Uplifting Literacy for the Growth of Cambodia”. This mission

remains close to the hearts of our team and our customers, guiding our ongoing efforts to enhance literacy in various forms, including professional literacy, financial literacy, and reading literacy. Beyond education, we also actively support community development, livelihood improvement, and disaster relief efforts, ensuring that our contributions foster sustainable growth and resilience in the communities where we operate. Our commitment is not just a part of what we do—it is central to our identity, and we remain steadfast in our dedication to giving back and creating a better future for all.



FINANCIAL LITERACY

Empowering Young Women through GGAC



In partnership with the Girl Guide Association of Cambodia (GGAC), J Trust Royal Bank successfully delivered the third batch of the ‘Career Goal and Guidance’ program. Through financial support and professional mentorship from our staff, we provided critical career guidance more than 200 female students from CCF and PSE. This initiative reaffirms our CSR commitment to promoting literacy and empowering Cambodia’s next generation of women with the skills and confidence to achieve their professional aspirations.

Promoting Financial History and Literacy



J Trust Royal Bank reinforced its commitment to Cambodia’s economic heritage and financial literacy by organizing a management and staff visit to the SOSORO Museum. This educational initiative provided our team with deep insights into the history of the Khmer Riel and the evolution of the national economy, aligning with our CSR pillar. By immersing our staff in the nation’s monetary journey, we empower our team to better serve as advocates for financial awareness and sustainable development within the community.

SOCIAL RESPONSIBILITY & COMMUNITY

Supporting school infrastructure through CAFIU



J Trust Royal Bank donated to support the education sector in Kampong Thom Province as part of a broader initiative to improve school infrastructure. This contribution will fund essential projects such as school renovations and painting, the installation of clean water systems, the donation of televisions, and the provision of various learning materials. The donation was made through the Corporate Social Responsibility (CSR) project initiated by the Cambodia Financial Intelligence Unit (CAFIU) with support from the Association of Cambodia.

Supporting National Health through Blood Donation



In celebration of International Children's Day and World Blood Donor Day, J Trust Royal Bank organized its annual blood donation drive, "Be A Hero: Show Your Care, Share Your Love," at Kantha Bopha Children's Hospital. Additionally, this initiative, the Bank also organized another staff-led community relief efforts at the National Blood Transfusion Center, where our team volunteer provided life-saving contributions to address the nation's critical blood shortage. By institutionalizing these donation drives, the Bank fosters a culture of civic responsibility, directly supporting emergency medical care and strengthening Cambodia's healthcare system for those in critical need.

Promoting Financial Literacy for Sustainable Growth



J Trust Royal Bank successfully conducted a "Financial Literacy Day" reaching 549 students and teachers across Phnom Penh and four provinces. Through simultaneous sharing sessions in Siem Reap, Battambang, Sihanoukville, and Kampong Cham, our provincial branches distributed study materials and introduced younger students to foundational concepts like saving and needs versus wants. In Phnom Penh, volunteers engaged university-level participants from PNC and EFC on topics such as effective budgeting, responsible debt management, and the safe use of digital financial tools, reinforcing our commitment to building a financially resilient society.

Enhancing Financial Literacy at the 12th Cambodia Book Fair



Through our continued partnership as a Gold Sponsor of the Cambodia Book Fair, J Trust Royal Bank engaged a number of visitors to promote financial literacy under its CSR pillar. Dedicated volunteers hosted interactive educational games designed to simplify complex financial concepts for children and young adults. By fostering a fun and engaging learning environment, we empowered the next generation with essential money management skills, reinforcing our long-term commitment to building a financially literate and inclusive society for the future of Cambodia.

SUSTAINABLE BUSINESS & ECONOMIC GROWTH

ASEAN Cambodia Business Summit 2025



As a Diamond Sponsor of the ASEAN-Cambodia Business Summit 2025, J Trust Royal Bank participated in this high-level regional forum to showcase our tailored financial products and services. By supporting this collaborative platform for government and business leaders, the Bank reaffirmed its commitment to empowering businesses at both the local and regional levels, directly contributing to ASEAN's economic integration and Cambodia's long-term growth.

Supporting UN Women's Empowerment Principles (WEPs)



J Trust Royal Bank officially signaled its commitment to gender equality by signed onto the United Nations Women's Empowerment Principles (WEPs). By adopting these seven principles, the Bank reinforces its dedication to fostering an inclusive workplace that promotes professional growth and equal opportunities for women at all levels. This initiative aligns with our broader mission to drive sustainable development in Cambodia, ensuring our corporate culture reflects international standards for gender diversity and the empowerment of women within the financial sector.

Cambodia Solidarity Fund & Community Relief



In support of the Royal Government of Cambodia and in the spirit of national solidarity and unity, the management and staff of J Trust Royal Bank have brought "Cambodia Solidarity Fund", amount 40 Million Riels. Furthermore, the Bank demonstrated significant support during times of crisis by contributing USD 1 million to community relief efforts. These financial commitments are aimed at assisting the Royal Government in addressing urgent social needs and providing a safety net for those most affected by economic and environmental challenges, ensuring the continued well-being of the communities we serve.

Empowering Special Education with Rabbit School



In line with our mission to promote quality and inclusive growth in education, J Trust Royal Bank established a meaningful partnership with the Rabbit School Organization. Through this partnership, the Bank makes an immediate USD 6,000 donation dedicated to strengthening the capacity of 16 public school teachers. This fund will cover specialized training in inclusive education, equipping them with the tools, methods, and skills needed to better support students with diverse learning needs. By investing in special education, the Bank underscores its dedication to ensuring that no child is left behind, fostering a more inclusive and equitable future for all Cambodian citizens.

Advancing the Access to Finance Program 2025



J Trust Royal Bank is honored to sponsor the launch of the "Access to Finance Program 2025," a critical initiative designed to unlock new growth opportunities for local enterprises. This collaborative initiative provided a strategic platform for entrepreneurs to address financing challenges, exchange industry insights, and strengthen business networks. The Bank reinforces its commitment to empowering local business owners and driving a more inclusive and resilient financial ecosystem.

Business Stability Talk Series



J Trust Royal Bank successfully launched the "Business Stability Talk" series, a three-part knowledge-sharing initiative designed to empower Corporate and SME clients with strategic expertise. Held throughout 2025 at the Bank's Head Office, the series covered critical pillars of modern business: Foreign Exchange Risk Management, Working Capital Maximization, and Digitalization to Improve Business Efficiency. By pairing the Bank's senior leadership with prominent industry founders and executives, these sessions provided participants with practical tools—from cash flow optimization to digital integration—to stay competitive. This series underscores our commitment to building lasting partnerships that go beyond financial services to drive sustainable growth for Cambodian enterprises.

Empowering SMEs through Financial Literacy



J Trust Royal Bank, in partnership with YEAC, hosted a "Friday Coffee Talk" at our Head Office focused on Financial Reporting for Debt Financing. Our SME and Corporate Banking experts provided 30 entrepreneurs with practical guidance on preparing credit-ready financial statements and documentation. This initiative reinforces our commitment to equipping Small and Medium Enterprises with the financial knowledge necessary to secure funding and drive Cambodia's economic growth.

Promoting Standardized Production and Export Readiness



J Trust Royal Bank is honored to sponsor the Cambodia Chamber of Commerce (CCC) to organize the seminar on "Benefits of Using Standard Labels for Products and Production Systems". This seminar aims to enhance the competitiveness of local goods by educating producers on international quality standards and compliance. This seminar helps Cambodian businesses improve their product quality, operational efficiency and unlock new opportunities for global market integration, contributing to the overall modernization of the Kingdom's production sector.

Supporting the "Farm to Global Market" via CAFE25



Through its support of the CAFE25 initiative, J Trust Royal Bank is playing an active role in strengthening Cambodia's agribusiness. This "Farm to Global Market" project focuses on elevating local agricultural products to meet international standards, facilitating direct access to global buyers. By providing the financial infrastructure necessary for agricultural exporters and producers, the Bank is helping to transform the sector into a high-value industry, ensuring that Cambodian farmers and agribusinesses benefit from the expanding global marketplace.

Empowering the Entrepreneurial & MSME Ecosystem



J Trust Royal Bank reinforced its strategic commitment to Cambodia's private sector through key sponsorships of National MSME Day and the 13th Cambodia Entrepreneurship Day. By backing these platforms, the Bank continues to be one of champions innovation and the digital transformation of local enterprises. Our support aims to enhance local product quality and competitiveness, directly contributing to the growth of the entrepreneurial ecosystem and Cambodia's long-term economic resilience.

OUR GOVERNANCE

05

RISK MANAGEMENT



The success of J Trust Royal Bank's strategy is underpinned by the sound management of its risks. As J Trust Royal Bank progresses on its strategic path to becoming the customer's trusted financial partner in Cambodia, the risks faced by J Trust Royal Bank will continue to evolve. The success of J Trust Royal Bank's strategy is dependent on its ability to manage the broad range of interrelated risks it is exposed to which it is exposed across its expanding business.

RISK APPETITE STATEMENT

J Trust Royal Bank's Risk Appetite Statement (RAS) is established by the J Trust Royal Bank Board to define the risk appetite in support of J Trust Royal Bank's strategic objectives and priorities. The RAS takes a holistic view of risks and seeks to understand the costs and benefits of particular risk choices.

Risk Management is integral to all aspects of the Bank's activities and is the responsibility of all staff. Managers have a particular responsibility to evaluate their risk environment, put in place appropriate controls and to monitor the effectiveness of those controls. The risk management culture emphasizes careful analysis and management of risks in all business processes.

The RAS framework provides an enforceable risk statement on the amount of risk J Trust Royal Bank is willing to accept and it supports strategic and core business activities and customer relationships with the objective of ensuring that:

- > J Trust Royal Bank engages only in permitted activities
- > The scale of permitted activities, and the subsequent risk profile, does not lead to potential losses or earnings volatility that exceed J Trust Royal Bank's approved risk appetite
- > Risk is expressed quantitatively through limits and tolerances
- > Management focus is required to discuss key and emerging risk issues and their mitigation actions; and
- > Risk is linked to the business by informing, guiding, and empowering the business in executing its strategy.

J Trust Royal Bank's risk management is viewed as a core competency, and to ensure that risks are identified, assessed, and managed in an accurate and timely manner, J Trust Royal Bank has:

- > An independent risk management function together with embedded risk managers within the businesses
- > Developed frameworks to provide structured and disciplined processes for managing key risks. These frameworks include articulation of the appetite for these risks, portfolio direction, policies, structures, limits and discretions.

KEY MATERIAL RISKS

All J Trust Royal Bank activities involve, to varying degrees, the analysis, evaluation, acceptance and management of risks or combinations of risks. The material risks facing J Trust Royal Bank and its approach to the management of those risks are described as follows:

STRATEGIC RISK

Strategic Risks are risks that affect or are created by the Bank's business strategy and strategic objectives. J Trust Royal Bank aspires to be among Cambodia's leading banks, measured by customer outcomes, operational effectiveness, and returns to shareholders. This requires ongoing development and innovation in its operations through strategic initiatives which may lead to an increase in key material risks (e.g., Credit Risk, Market Risk, Operational Risk). J Trust Royal Bank has a low appetite for threats to the effective and efficient delivery of these initiatives. It recognizes that the actual or perceived inability to deliver strategic initiatives could have a significant impact on its ability to achieve its objectives, as well as its reputation. However, risk management strategies associated with these risks form the primary controls.

- J Trust Royal Bank Board meets regularly to discuss the major initiatives and to identify and assess potential strategic risks.
- In the assessment of strategic risks, a framework is in place to ensure that these initiatives are prioritized appropriately, and that the associated risks are well managed and reported on a consistent basis.
- The Board will consider impacts, such as pricing and products; the systems and processes required to deliver on the proposed strategy, and capital implications.



CREDIT RISK

Credit risk is the risk of default associated with a financial transaction resulting from a counterparty failing to fulfil its debt obligations. J Trust Royal Bank has a robust risk management framework to manage credit risk that is based on:

- J Trust Royal Bank's defined credit principles that guide our behavior when managing credit risk to ethically achieve the best outcomes for customers and shareholders.
- The Credit Risk Management Policy monitors our credit activities in line with the agreed business strategy, RAS, and NBC regulations.



MARKET RISK

Market Risk stems from J Trust Royal Bank's trading and balance sheet activities and is the risk to J Trust Royal Bank's earnings arising from changes in interest rates, foreign exchange rates, credit spreads, and volatility in other markets.

- The Bank has a low-risk appetite for Interest Rate Risk. J Trust Royal Bank's objective is to match its assets and liabilities within an acceptable tolerance.
- The Bank has a medium risk appetite for FX Risk. The Bank is willing to accept moderate open positions, particularly in local currency KHR, with limits determined by ALCO for each currency (relative to USD).
- The Bank has a low-risk appetite for liquidity risk. J Trust Royal Bank's objective is to ensure that an adequate liquidity position is maintained to satisfy the Bank's obligations at all times.



OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. This definition includes legal risk and the risk of reputation loss, or damage arising from inadequate or failed internal processes, people and systems, but excludes strategic risk. The objective of operational risk management is to ensure that risks are identified, assessed, measured, evaluated, treated, monitored and reported in a structured environment with appropriate governance oversight. J Trust Royal Bank does not expect to eliminate all operational risks but seeks to ensure that the residual risk exposure is managed to a level as low as reasonably practicable, where the benefit of the risk control measures exceeds the cost of these measures.



COMPLIANCE RISK

Compliance risk is the probability and impact of an event that results in a failure to act in accordance with laws, regulations, industry standards and codes, internal policies and procedures, and principles of good governance as applicable to J Trust Royal Bank's businesses.

- **Regulatory Risk:** J Trust Royal Bank recognizes that failure to maintain a no-appetite position for Regulatory Risk may result in outcomes which could create systemic risk and catastrophic outcomes. The Bank is committed to a high level of compliance with relevant legislation, regulation, industry codes and standards as well as internal policies and sound corporate governance principles. Identified breaches of compliance will be remedied as soon as practicable. The Bank has no appetite for deliberate or purposeful violations of legislative or regulatory requirements.
- **Governance Risk:** J Trust Royal Bank recognizes that failure to maintain a no-appetite position for Governance Risk may result in behaviors which could risk the J Trust Royal Bank reputation and stability, along with regulatory action.
- J Trust Royal Bank has a strong governance framework, policies, procedures, systems, and an effective audit function to mitigate risk in relation to the oversight and management of prudential standards and laws affecting J Trust Royal Bank.
- J Trust Royal Bank has an appropriately qualified Board with key committees supporting their oversight. J Trust Royal Bank has a code of conduct, a fit and proper process, a disclosure process, charters, and organizational values with compliance assurance.



PEOPLE RISK

People Risk refers to the costs that may arise as a consequence of events associated with J Trust Royal Bank staff. J Trust Royal Bank's significant people and culture-related risks include:

- **Caliber of People** – J Trust Royal Bank relies on motivated, diverse and high- quality staff to perform its functions. It aims to create an environment where staff are empowered to the full extent of their abilities.
- **Conduct of People** – J Trust Royal Bank expects staff to conduct themselves with a high degree of integrity, to respectfully strive for excellence in the work they perform and the outcomes they achieve, and to promote the public interest. The appetite for behaviors which do not meet these standards is very low. J Trust Royal Bank takes any breach of its Code of Conduct very seriously.
- **Work Health & Safety (WHS)** – J Trust Royal Bank commits to create a safe working environment for all staff, where people are protected from physical or psychological harm. It has a very low appetite for practices or behaviors that could be expected to lead to staff being harmed while at work.

OUR LEADERSHIP

06

MEMBERS OF THE BOARD OF DIRECTORS



**NEAK OKNHA
KITH MENG**
CHAIRMAN

Neak Oknha Kith Meng is the Chairman and Chief Executive Officer of the Royal Group of Companies. Neak Oknha has been the driving force behind bringing international business and investors into Cambodia. Through alliances with leading global players, he has brought international quality service to the telecoms, media, education, finance, banking, insurance, logistics, power generation and hospitality industries. He is a passionate entrepreneur who is committed to the development of Cambodian economy through foreign direct investment.

Neak Oknha Kith Meng holds numerous significant roles in Cambodia, including President of the Cambodian Chamber of Commerce, the Phnom Penh Chamber of Commerce and holds the Cambodian seat at the ASEAN Business Advisory Council.



**MR. WILLIAM
MARK HANNA**
DIRECTOR

Mr. Mark Hanna is an experienced international senior finance and operations executive. Mr. Hanna joined the Royal Group in July 2007 and is responsible for the financial management and performance of the Group's diverse business interests. Prior to joining the Royal Group, Mr. Hanna held several CEO & CFO roles throughout Asia in the telecoms and manufacturing industries.

Mr. Hanna has a bachelor's degree in accounting and is a member of the Chartered Institute of Management Accountants.



**MR. SIMON
JOHN PERKINS**
DIRECTOR

Mr. Simon Perkins served as an Independent Director of the Bank since 2015 and was approved to be a shareholder appointed Director in early 2022 after he took on his current position as the Chief Executive Officer (CEO) of Cellcard.

Mr. Perkins has a long history with Cambodia, firstly as Head of Indochina Region for Millicom International Cellular and later as the CEO of Hello Axiata Company Limited at Axiata Group Berhad.

He has worked in Asia for over 25 years, with several stints as the CEO for major telecommunication network operators in the region including three years in Australia with Silk Telekom before returning to Indochina.

Mr. Perkins holds a Master of Business Administration (MBA) from Warwick University in the UK and a Bachelor of Science (BSc) First Class Honours from Loughborough University of Technology, UK. He is a Chartered Engineer of the UK Engineering Council and the Chartered Professional Engineers Australia. He is a Fellow Member of the Australian Institute of Company Directors.



**MR. TORU
MYOCHIN**
DIRECTOR

Mr. Toru Myochin joined J Trust in June 2015 as Managing Director in charge of domestic finance businesses, holding companies, and Group management operations. Concurrently, he was appointed as the President and Representative Director of the entertainment company and systems company within the Group.

In addition, he has had more than 15 years of experience in wholesale banking at Mizuho Bank, while at Shinsei Bank he has been in charge of the following departments as the Managing Executive Officer: domestic sales, real estate sales, healthcare finance, corporate reconstruction and structured finance.

Mr. Myochin has more than 21 years of banking experience and a wide range of knowledge in the business world. He holds a bachelor's degree in mechanical engineering from Sophia University in Tokyo, Japan.



**MR. RYUICHI
ATSUTA**
DIRECTOR

Mr. Ryuichi Atsuta is an experienced senior finance executive. He has experience of working in banking industry for over 30 years and held various important management positions at global financial institutions. His leadership quality and management expertise can bring exceptional value to board of directors of J Trust Royal Bank and guide further development of our organization.

Mr. Atsuta currently holds numerous significant roles in J Trust Group, including Senior Managing Director, Executive Officer in charge of Finance, HR & General Affairs Department.



**MR. AKIHIKO
KISAKA**
DIRECTOR

Mr. Akihiko Kisaka has over 30 years of international banking experience, with an extensive background in investment banking and executive leadership. He has held various executive leadership roles, including syndicated finance, M&A advisory, and post-merger integration research across Japan and Brazil. He previously served as Vice-President in charge of Internal Control – Overseeing Risk, Compliance, Finance, and Planning before promoted to President/CEO of MUFG Bank Brazil. Beyond his banking career, he also contributed to Japan-Brazil relations as Vice Chairman of the Japanese Chamber of Commerce and Industry in São Paulo and as president of the São Paulo Japanese school.

Mr. Kisaka holds a bachelor's degree in mechanical engineering from Keio University in Tokyo, Japan.



**MR. KATSUYUKI
ODA**
DIRECTOR

Mr. Katsuyuki Oda is an experienced accounting and finance executive and has a wide range of experience in accounting, financial planning and analysis across the sector. Previously, he held various leadership roles internationally in banking and other industries for over 20 years. He currently serves as Director, Executive Officer, General Manager of Accounting Department of J Trust Co., Ltd.

Mr. Katsuyuki Oda holds a Master of Business Administration (MBA) from the University of Cambridge Judge Business School and a Bachelor degree of Economics from Waseda University.



MS. SEKA HEP
INDEPENDENT
DIRECTOR

With 16 years of experiences as lawyer, Ms Seka is a partner, deputy managing director of DFDL Cambodia Office, lawyer licensed by BAKC, arbitrator of NCAC and accredited mediator from CEDR.

She has extensive experience in corporate and commercial matters including real estate and construction, EIM and project finance. Her expertise specializes in major property projects and has acted on numerous significant commercial, industrial and residential developments in Cambodia.

Ms. Seka holds a Master 2 of Business Comparative Law (LL.M.) from the University Lumière Lyon 2, France which included participation in an exchange program with the University of Montreal, Canada. She speaks French and English and Khmer as mother tongue language.



MR. PAUL CAREY CLEMENTS
INDEPENDENT DIRECTOR

Mr. Paul Clements is an Australian and has lived in Asia since 2008 covering Cambodia, China, and Indonesia. He has over 30 years of banking experience involving Relationship Banking, Investment Banking, Risk, Operations, and Transformation and Executive Management.

Most of his career was in Australia with Westpac Banking Corporation, ANZ Bank, and JP Morgan. In Cambodia he has been previously involved with ANZ Royal Bank, Cambodia Mekong Bank Public Limited, WorldBridge Outsourcing Solutions Co., Ltd and HCC Group Co., Ltd (EnviroCam).

Currently Mr. Clements is Chairperson of the International Business Chamber of Cambodia (IBC) and is involving in consulting across a number of sectors.

Mr. Clements has a Bachelor of Business (Majoring in Banking and Finance) and a Postgraduate Degree (Majoring in Accounting).

EXECUTIVE COMMITTEE



CEO
MR. TORU MYOCHIN



DEPUTY CEO
MR. AKIHIKO KISAKA



CHIEF RISK OFFICER
MS. YUKO MIYAZAKI



CHIEF LEGAL & COMPLIANCE OFFICER
MS. BOREN KORK



CHIEF FINANCIAL OFFICER
MS. PHEAKDEY POK



HEAD OF MARKETS
MR. SOPHINA KHIEV



CHIEF PERSONAL BANKING OFFICER
MR. VIC SISOWATH



CHIEF CORPORATE BANKING OFFICER
MS. NARITA HANG CHUON



HEAD OF BUSINESS BANKING
MR. SOPHY KEO



CHIEF OPERATING OFFICER
MR. SALY LOR



CHIEF INFORMATION OFFICER
MR. GLENN MILLER



CHIEF HUMAN RESOURCES OFFICER
MR. SIV HORNPISETH



CHIEF DIGITAL OFFICER
MR. MARK ILOTT



MR. TORU MYOCHIN
CEO

Toru Myochin joined J Trust in June 2015 as Managing Director in charge of domestic finance businesses, holding companies, and Group management operations. Concurrently, he was appointed as the President and Representative Director of the entertainment company and systems company within the Group.

In addition, he has had more than 15 years of experience in wholesale banking at Mizuho Bank, while at Shinsei Bank he had been in charge of the following departments as the Managing Executive Officer: domestic sales, real estate sales, healthcare finance, corporate reconstruction and structured finance.

Myochin has more than 21 years of banking experience and a wide range of knowledge in the business world. He holds a Bachelor's Degree in Mechanical Engineering from Sophia University in Tokyo, Japan.



MS. YUKO MIYAZAKI
CHIEF RISK OFFICER

Yuko Miyazaki joined J Trust Royal Bank in September 2019 as Chief Risk Officer (CRO), bringing more than 25 years of international banking experience across Japan and the United States. Over the course of her career in the financial services industry, she has developed deep expertise in credit risk Management, enterprise risk management, as well as business development. She has played a key role in strengthening risk governance and supporting the sustainable growth of financial institutions through disciplined risk management and strategic business initiatives.

In her current role, she leads a team of risk professionals responsible for overseeing credit risk management, including the evaluation of credit proposals, portfolio management, lending services and collections, market liquidity risk, and operational risk oversight. As Chair of the Risk Management Committee (RMC), she plays a leading role in supervising and overseeing credit, market, and operational risks, ensuring that the Bank's business strategies align with its defined risk appetite.

She is also a member of the Bank's Executive Management Team, contributing to strategic decision-making and enterprise-wide risk governance.

She holds a Master of Science in Finance from George Washington University and a Bachelor of Arts in Economics from Michigan State University, USA. Throughout her career, she has held senior positions at Tokyo Star Bank, Moody's Analytics, Aozora Bank, Bear Stearns, and Freddie Mac.



MR. AKIHIKO KISAKA
DEPUTY CEO

Mr. Akihiko Kisaka has over 30 years of international banking experience, with an extensive background in investment banking and executive leadership. He has held various executive leadership roles, including syndicated finance, M&A advisory, and post-merger integration research across Japan and Brazil. He previously served as Vice-President in charge of Internal Control – Overseeing Risk, Compliance, Finance, and Planning before promoted to President/CEO of MUFG Bank Brazil. Beyond his banking career, he also contributed to Japan-Brazil relations as Vice Chairman of the Japanese Chamber of Commerce and Industry in São Paulo and as president of the São Paulo Japanese school.

Mr. Kisaka holds a bachelor's degree in mechanical engineering from Keio University in Tokyo, Japan.



MS. BOREN KORK
CHIEF LEGAL & COMPLIANCE OFFICER

Boren leads Legal and Compliance team to manage legal risks and to ensure compliance with regulatory requirements, anti-money laundering (AML), counter-terrorist finance (CTF), and economic/trade sanctions frameworks, and also acts as the Company Secretary, coordinating corporate affairs in interaction with the Board of Directors of the Bank.

Under Boren's leadership, JTRB Legal and Compliance team was selected and listed in the Legal 500 GC Powerlist: Southeast Asia Teams 2023, highlighting the best in-house legal and compliance departments working in various industries across the region; whilst Boren herself was also listed in the Legal 500's GC Powerlist 2024 as one of the most influential and innovative in-house lawyers in Southeast Asia.

Boren's career flourished in the bank. First joining in June 2012 as a Manager of Commercial and Institutional Client Administration, Boren took on the other key management roles before being appointed to lead the Legal and Compliance Department in November 2018. Before joining J Trust Royal Bank, Boren gained extensive experience in the fields of law and education.

Boren holds Doctor of Law and Master of Law degrees from Nagoya University (Japan), and Bachelor of Law degrees from the Royal University of Law and Economics (Cambodia), and Lumière Lyon II University (France).



MS. PHEAKDEY POK
CHIEF FINANCIAL OFFICER

Pheakdey serves as the Chief Financial Officer of J Trust Royal Bank, with an expanded role in supporting Business Strategy. She plays a crucial role in Finance and Strategy, ensuring business alignment, driving growth initiatives, managing financial performance, and upholding governance in compliance with local and international regulations, including those of Cambodia and the Group.

With over two decades of experience in Banking, Auditing, and Fast-Moving Consumer Goods (FMCG), Pheakdey has spent more than 18 years in the banking industry. Since June 2022, she has also been a Non-Executive Board Director of Phnom Penh Autonomous Port.

She holds a Bachelor's Degree in Accounting and Finance from the National University of Management and is an Associate Member of CPA Australia and the Institute of Public Accountants Australia (IPA). Additionally, she is a Member of the Australian Institute of Company Directors (AICD) and has held a trust license from the Cambodia Trust Regulator since August 2023.



MR. VIC SISOWATH
CHIEF PERSONAL BANKING OFFICER

Vic Sisowath joined ANZ Royal Bank in 2007 and stayed with the bank when it transitioned to J Trust Royal Bank in 2019. He currently leads Personal Banking covering 17 branches, our Premier banking segment, secured and unsecured lending businesses, Bancassurance, Analytic and Branch Assurance and our 24/7 Customer Care Centre.

With 18 years of Personal Banking experience including roles as Premier Banking Manager, Branch Manager, Regional Manager, Head of Affluent Banking, and a secondment in Singapore Personal Banking, Vic joined the executive management team in February 2017 as the Chief Personal Banking Officer. After more than 18 years in the Cambodian retail space, Vic has intimate knowledge of sales and services, and an understanding of our customers' financial needs.

Fluent in French, English and Khmer, Vic studied economics at the University of California Berkeley and has been overseas for many years. Through the bank training programs, he has become an accredited facilitator for sales and sales management.



MR. SOPHINA KHIEV
HEAD OF MARKETS

Sophina joined the bank since 2005 when it commenced its operation under the name of ANZ Royal Bank and currently leads Markets & FI to support bank's FI relationship & treasury function as well as FX services providing to Retail, Business and Corporate Banking clients.

With his 20 years of career with the bank that started with few roles within Retail Banking as priority banking manager, Branch Manager, Senior Manager of Mortgage and then moved to Corporate Banking and Markets & FI, Sophina brings with him a wealth of knowledge and experience of banking and financial market. He joined our executive management team of J Trust Royal Bank on day 1 after the transition in Aug 2019.

Fluent in English, Mandarin Chinese and Khmer, Sophina studied economics and finance at Guangxi University in China under Chinese Government Scholarship Program.



MS. NARITA HANG CHUON
CHIEF CORPORATE BANKING OFFICER

Narita Hang Chuon, Chief Corporate Banking Officer, she is responsible for the growth and profitability, as well as the good credit quality of the Corporate Banking Segment, which combines of the Small and Medium Enterprise Portfolio, Local Corporate Portfolio, and Multinational Companies Portfolio.

Narita joined the Bank in September 2005, throughout more than 20 years of services with the Bank, she has well rounded experiences from Operations to Middle Office, and to the Frontline Department. Prior to that, Narita worked with World Vision International Organization, Credit Agricole Indosuez Bank, and Nestle Dairy Cambodia Co., Ltd.

Narita holds a Master of Business Administration, majoring in Finance from Charles Sturt University back in 2006. And in 2022 she was just awarded a Master of Global Trade from RMIT. She has a Bachelor degree, Major in Finance & Banking from the National Institute of Management.

On top of her role with J Trust Royal Bank, Narita actively involves in various business associations and associations, to support Girls and Women, and Women in Business.



MR. SOPHY KEO
HEAD OF BUSINESS
BANKING

Sophy joined the bank since 2006 and was appointed as Head of Business Banking in 2019. This is a specialized lending unit within J Trust Royal Bank; with a key objective to work more closely with our selected lending clients. Sophy leads the Business Banking Relationship Teams who actively work with our clients to meet their needs on banking solutions of both loans and deposits.

Since joining the bank in 2006, Sophy is one of our experienced bankers in the area of Lending & Payments Operations; Workflow & Automation; as well as major Project Management & Execution. He has also worked and trained in countries such as Singapore, India, Myanmar, and Laos; as part of the bank's inter-national assignment. And prior to joining the bank, Sophy was leading the Training & Testing Department (including Special Projects) at the Australian Centre for Education (ACE).

Sophy holds a Master of Business Administration (MBA), a Bachelor of Accounting; and Bachelor of Education (TEFL).



MR. SALY LOR
CHIEF OPERATING
OFFICER

Saly joined the bank since May 2005 and has held several senior management roles including Senior Business Development, Branch Manager, Regional Manager, Head of Mortgages, Head of Retail Operations, Acting Chief Operating Officer and Chief Operating Officer.

In August 2019, he was appointed as Chief Operating Officer. As Chief Operating Officer, Saly oversees the Bank's operations, which encompasses a diverse range of functions inclusive of Retail Operations, Institutional & Commercial Operations, Projects & Transformation, and Property.

Prior to joining the bank, Saly held a management role in the hospitality field and was a lecturer of a private university.

Saly was an AusAID scholarship winner and holds a Master of Education and Training from Victoria University, Australia



MR. GLENN MILLER
CHIEF INFORMATION
OFFICER

Glenn, originally from Melbourne Australia, joined J Trust Royal Bank in August 2019 as the Chief Information Officer. Glenn leads an enthusiastic and customer focused team of technologists and is responsible for managing all Information technology aspects for J Trust Royal. In addition to this Glenn is also the Vice-Chair of AusCham Cambodia.

Glenn has been working as a technologist in Banking, Payments and Telecommunications for 30 years. Glenn has been based in Cambodia for over 20 years and has worked for 5 different companies in Cambodia in the fields of Banking, Payments processing and Telecoms.

Prior to relocating to Cambodia Glenn worked in a variety of roles across 20 years at ANZ Bank Australia and the Asia Pacific regions.



MR. SIV HORNPISETH
CHIEF HUMAN
RESOURCES OFFICER

Piseth has been appointed as the Executive Committee member of J Trust Royal Bank since April 2022, bringing over 16 years of extensive experience in Human Resources Management within the banking and insurance sector. As the Chief Human Resources Officer, he is responsible for leading the bank's HR strategy and ensuring that it aligns with the overall business objectives.

Under his leadership, the HR department has implemented numerous initiatives aimed at enhancing employee engagement and collaboration, fostering a culture of continuous learning, and driving organizational excellence. Piseth oversees a wide range of functions, including talent acquisition and development, performance management, rewards and recognition, workforce planning, and employee relations.

Piseth began his HR career in the banking industry as Recruitment Assistant at ANZ Royal bank in 2008. Over the years, he has held various senior HR roles, contributing to the success of several high-profile projects, including start-up business, acquisition, and organizational change.

Piseth holds Master of Business Administration from the Norton University, and Master of Human Resources Management from the Monash University (Australia) under the Australia Awards scholarship program. He is also a certified HR professional in Human Resource Management and Industrial Relation from The Association for Overseas Technical Cooperation and Sustainable Partnership "AOTS", Japan.



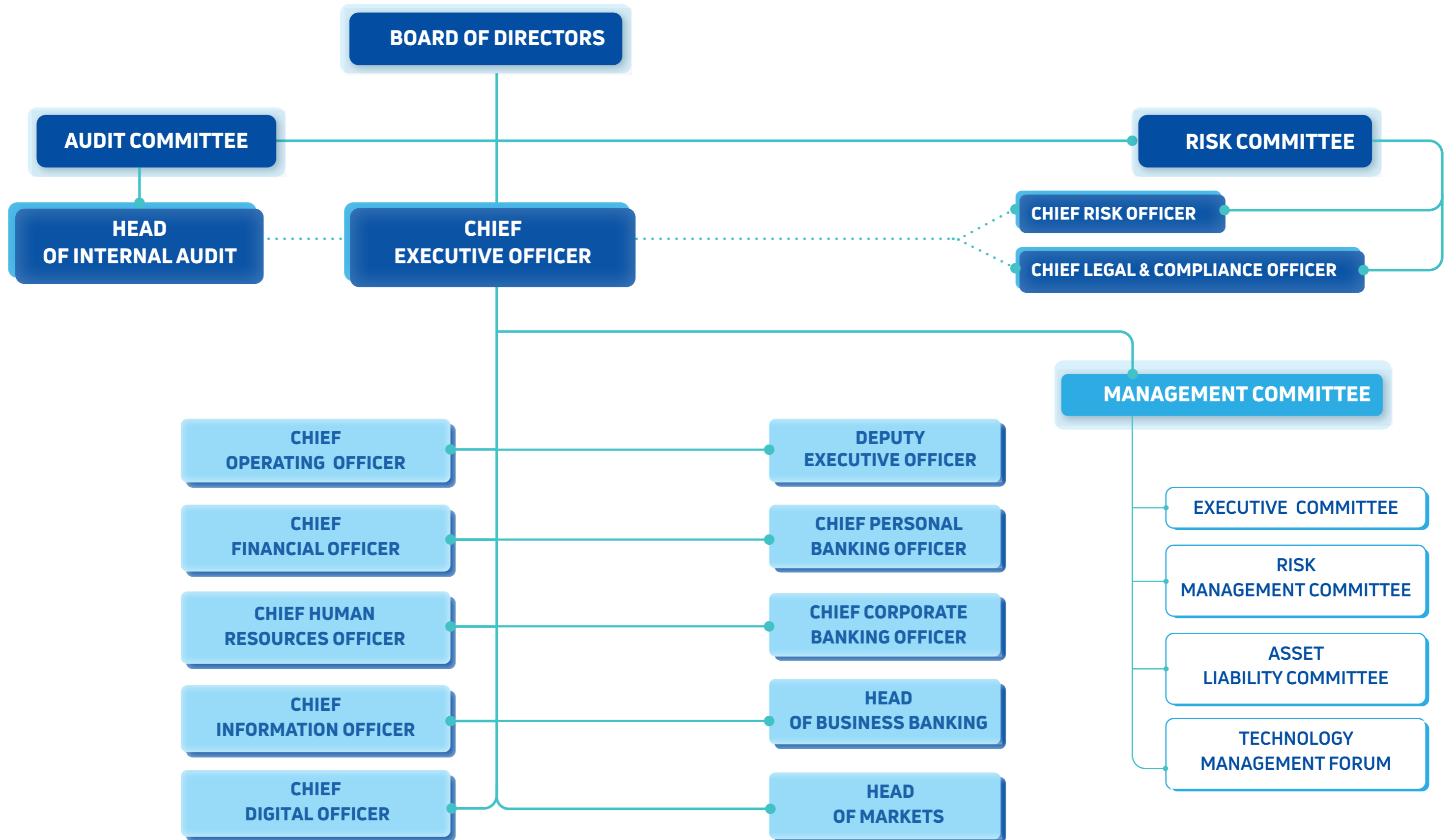
MR. MARK ILOTT
CHIEF DIGITAL
OFFICER

Mark Ilott joined J Trust Royal Bank in 2020 and currently serves as Chief Digital Officer. He is responsible for leading the Bank's digital transformation and modernisation of customer channels, digital products, and core technology platforms, ensuring alignment with business growth, customer experience, and regulatory requirements.

Mark brings more than 25 years of experience across banking, telecommunications, hospitality, and technology. Since joining the Bank, he has progressed through a number of senior roles including Head of Architecture and Integration, Head of Engineering and Development, and Head of Digital, before being appointed to the Executive Committee. He has led the establishment of the Bank's digital function and delivered key initiatives including the launch of a new JTR Mobile and the development of in-house engineering capability to support long-term growth.

Prior to joining the Bank, Mark founded and led several technology businesses across Australia and Southeast Asia, achieving multiple successful exits. His experience spans strategy, product development, engineering, and commercial leadership, with a strong focus on execution and building high-performing teams.

ORGANIZATIONAL CHART



FINANCIAL STATEMENT

07

CORPORATE INFORMATION

BANK	J TRUST ROYAL BANK PLC.
Registration No.	00015704
Registered office	Royal Railway Building No. 10, Russian Blvd, Sangkat Srah Chak, Khan Doun Penh Phnom Penh, Kingdom of Cambodia
Shareholders	J Trust Co., Ltd. Royal Group Finance Co., Ltd.

BOARD OF DIRECTORS		
	Neak Oknha Kith Meng	Chairman
	Mr. William Mark Hanna	Director
	Mr. Toru Myochin	Director
	Mr. Ryuichi Atsuta	Director
	Mr. Simon John Perkins	Director
	Mr. Katsuyuki Oda	Director
	Mr. Paul Carey Clements	Director (Reassigned from Independent Director to Director on 8 January 2026)
	Mr. Akihiko Kisaka	Director (Resigned on 20 January 2026)
	Ms. Seka Hep	Independent Director

MANAGEMENT TEAM		
	Mr. Toru Myochin	Chief Executive Officer
	Mr. Akihiko Kisaka	Deputy Chief Executive Officer (Resigned on 20 January 2026)
	Ms. Pok Pheakdey	Chief Financial Officer
	Ms. Kork Boren	Chief Legal & Compliance Officer
	Mr. Sisowath Veakchiravuddh	Chief Personal Banking Officer
	Ms. Hang Chuon Narita	Chief Corporate Banking Officer
	Mr. Siv Hornpiseth	Chief Human Resources Officer
	Mr. Khiev Sophina	Head of Markets
	Mr. Keo Sophy	Head of Business Banking
	Mr. Lor Saly	Chief Operating Officer
	Mr. Glenn Miller	Chief Information Officer
	Mr. Mark Ilott	Chief Digital Officer
	Ms. Yuko Miyazaki	Chief Risk Officer

Auditors	KPMG Cambodia Ltd
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REPORT OF THE BOARD OF DIRECTORS

The Board of Directors (“the Board” or “the Directors”) hereby submit their report together with the audited financial statements of J Trust Royal Bank Plc. (“the Bank”) for the year ended 31 December 2025.

Principal activities

The Bank is principally engaged in all aspects of banking business and the provision of related financial services in the kingdom of Cambodia.

There were no significant changes to these principal activities during the financial year.

Financial results

The financial results of the Bank for the year ended 31 December 2025 were as follows:

	2025	2024	2025	2024
	US\$	US\$	KHR'000 (Note 6)	KHR'000 (Note 6)
Profit before income tax	12,689,273	17,029,536	50,896,675	69,327,241
Income tax expense	(2,221,160)	(2,066,271)	(8,909,073)	(8,411,789)
Net profit for the year	10,468,113	14,963,265	41,987,602	60,915,452

Dividends

No dividend was declared or paid, and the Directors do not recommend any dividend to be paid for the financial year under review.

Share capital

There was no change in the registered and issued share capital during the financial year.

Reserves and provisions

There were no other movements to or from reserves and provisions during the financial year other than those disclosed in the financial statements.

Losses on loans and advances

Before the financial statements of the Bank were prepared, the Directors took reasonable steps to ascertain that actions had been taken in relation to the writing off of any bad loans and advances and the making of allowance for doubtful loans and advances, and satisfied themselves that all known bad loans and advances had been written off and adequate allowance for losses had been made on loans and advances.

At the date of this report, the Directors are not aware of any circumstances, which would render the amount written off for bad loans and advances, or the amount of allowance for losses on loans and advances in the financial statements of the Bank, inadequate to any material extent.

Assets

Before the financial statements of the Bank were prepared, the Directors took reasonable steps to ensure that any assets, other than loans and advances, which were unlikely to be realised in the ordinary course of business at their value as shown in the accounting records of the Bank had been written down to an amount which they are expected to be realised.

At the date of this report, the management is not aware of any circumstances, which would render the values attributed to the assets in the financial statements of the Bank misleading.

Valuation methods

At the date of this report, the Directors are not aware of any circumstances, which have arisen, which render adherence to the existing method of valuation of assets and liabilities in the financial statements of the Bank misleading or inappropriate.

Contingent and other liabilities

At the date of this report, there does not exist:

- (a) any charge on the assets of the Bank which has arisen since the end of the financial year which secures the liabilities of any other person, or
- (b) any contingent liability in respect of the Bank that has arisen since the end of the financial year other than in the ordinary course of banking business.

No contingent or other liability of the Bank has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Bank to meet its obligations as and when they fall due.

Change of circumstances

At the date of this report, the Directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Bank, which would render any amount stated in the financial statements misleading.

Items of material and unusual nature

The results of the operations of the Bank for the financial year were not, in the opinion of the Directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of the Bank for the current year in which this report is made.

Events since the reporting date

At the date of this report, there have been no significant events occurring after the reporting date which would require adjustments or disclosures to be made in the financial statements.

The Board of Directors

The Directors who served during the year and at the date of this report are:

Neak Oknha Kith Meng	Chairman
Mr. William Mark Hanna	Director
Mr. Toru Myochin	Director
Mr. Ryuichi Atsuta	Director
Mr. Simon John Perkins	Director
Mr. Katsuyuki Oda	Director
Mr. Paul Carey Clements	Director (Reassigned from Independent Director to Director on 8 January 2026)
Mr. Akihiko Kisaka	Director (Resigned on 20 January 2026)
Ms. Seka Hep	Independent Director

Directors' interests

Except for Neak Oknha Kith Meng, the chairman of the Board of Directors, who directly and indirectly hold the Bank through Royal Group Finance Co., Ltd, none of the other Directors held or dealt directly in the shares of the Bank during the financial year.

Directors' benefits

During and at the end of the financial year, no arrangements existed to which the Bank is a party with the objective of enabling Directors of the Bank to acquire benefits by means of the acquisition of shares in or debentures of the Bank or any other corporate body.

During the financial year, no Director of the Bank has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as disclosed in the financial statements) by reason of a contract made by the Bank or a related corporation with a firm of which the Director is a member, or with a Bank in which the Director has a substantial financial interest other than as disclosed in the financial statements.

Directors' responsibility in respect of the financial statements

The Board of Directors is responsible for ascertaining that the financial statements as set out on page 66 to 145 present fairly, in all material respects, the financial position of the Bank as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with CIFRSs. In preparing these financial statements, the Board of Directors is required to:

- (i) adopt appropriate accounting policies which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
- (ii) comply with Cambodian International Financial Reporting Standards ("CIFRSs") or, if there have been any departures in the interest of true and fair presentation, ensure that these have been appropriately disclosed, explained and quantified in the financial statements;
- (iii) oversee the Bank's financial reporting process and maintain adequate accounting records and an effective system of internal controls;

- (iv) assess the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so; and
- (v) control and direct effectively the Bank in all material decisions affecting the operations and performance and ascertain that such have been properly reflected in the financial statements.

The Board of Directors confirms that they have complied with the above requirements in preparing the financial statements.

Approval of the financial statements

We hereby approve the accompanying financial statements together with the notes thereto, which in our opinion, present fairly, in all material respects, the financial position of the Bank as at 31 December 2025, and its financial performance and its cash flows for the year then ended, in accordance with CIFRSs.

Signed in accordance with a resolution of the Board of Directors,

 William Mark Hanna Director Phnom Penh, Kingdom of Cambodia 31 March 2026		 Toru Myochin Director and Chief Executive Officer
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REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF J TRUST ROYAL BANK PLC.

KPMG Cambodia Ltd
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Opinion

We have audited the financial statements of J Trust Royal Bank Plc. ("the Bank"), which comprise the statement of financial position as at 31 December 2025, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information as set out on pages 66 to 145 (hereafter referred to as "the financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standards ("CIFRSs").

Basis for Opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing ("CISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Bank in accordance with the ethical requirements that are relevant to our audit of the financial statements in Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Bank as of and for the year ended 31 December 2024, were audited by another auditor who expressed an unmodified opinion on those financial statements on 28 March 2025.

Other information

Management is responsible for the other information. The other information comprises the Report of the Board of Directors on pages 59 to 62, and the annual report, which is expected to be made available to us after the date of auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with CIFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For KPMG Cambodia Ltd



Taing Youkfong

Partner

Phnom Penh, Kingdom of Cambodia

31 March 2026

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	31 DECEMBER		31 DECEMBER	
		2025	2024	2025	2024
		US\$	US\$	KHR'000	KHR'000
				(Note 6)	(Note 6)
ASSETS					
Cash and cash equivalents	7	397,979,398	318,502,624	1,597,091,324	1,281,973,062
Placements with other banks	8	40,645,707	112,372,367	163,111,222	452,298,777
Statutory deposits	9	79,833,733	74,181,963	320,372,771	298,582,401
Loans and advances to customers – net	10	948,533,725	1,009,128,082	3,806,465,838	4,061,740,530
Investment securities	11	9,814,681	-	39,386,315	-
Other assets	12	12,619,510	11,449,431	50,642,094	46,083,960
Intangible assets	13	6,321,469	8,262,729	25,368,055	33,257,484
Property and equipment	14	3,174,628	4,070,082	12,739,782	16,382,080
Right-of-use assets	15	7,062,389	8,576,087	28,341,367	34,518,750
Income tax credit	22(B)	489,956	243,545	1,966,193	980,269
TOTAL ASSETS		1,506,475,196	1,546,786,910	6,045,484,961	6,225,817,313
LIABILITIES AND SHAREHOLDERS' EQUITY					
Equity					
Liabilities					
Deposits from customers	16	947,228,669	988,050,083	3,801,228,648	3,976,901,584
Deposits from other banks and financial institutions	17	257,720,758	266,778,270	1,034,233,402	1,073,782,537
Borrowings	18	128,126	155,689	514,170	626,648
Lease liabilities	19	8,062,625	9,446,651	32,355,314	38,022,770
Other liabilities	20	2,765,433	3,785,425	11,097,682	15,236,337
Provision for employee benefits	21	175,441	218,772	704,045	880,557
Deferred tax liability – net	22(A)	4,593,401	2,905,524	18,433,318	11,694,734
Provision for off-balance sheet commitments	33	84,211	198,077	337,939	797,260
Total liabilities		1,220,758,664	1,271,538,491	4,898,904,518	5,117,942,427
Shareholders' equity					
Share capital	23	75,000,000	75,000,000	300,000,000	300,000,000
General reserves	24	103,000,000	103,000,000	415,688,000	415,688,000
Regulatory reserves	25	56,569,609	64,150,085	231,108,604	261,513,893
Retained earnings		51,146,923	33,098,334	204,848,151	132,455,260
Currency translation reserves		-	-	(5,064,312)	(1,782,267)
Total shareholders' equity		285,716,532	275,248,419	1,146,580,443	1,107,874,886
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,506,475,196	1,546,786,910	6,045,484,961	6,225,817,313

The accompanying notes form an integral part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025		2024	
		US\$	US\$	KHR'000	KHR'000
				(Note 6)	(Note 6)
Operating income					
Interest income	26	98,299,922	99,135,659	394,280,987	403,581,268
Interest expense	27	(49,348,184)	(51,685,789)	(197,935,566)	(210,412,847)
Net interest income		48,951,738	47,449,870	196,345,421	193,168,421
Net fee, commission and other income	28	6,431,334	5,314,666	25,796,081	21,636,005
Total operating profit		55,383,072	52,764,536	222,141,502	214,804,426
Personnel expenses	29	(19,554,664)	(19,482,785)	(78,433,757)	(79,314,418)
Depreciation and amortisation	30	(5,906,013)	(6,567,743)	(23,689,018)	(26,737,282)
General and administrative expenses	31	(9,983,107)	(8,818,711)	(40,042,242)	(35,900,972)
Total operating expenses		(35,443,784)	(34,869,239)	(142,165,017)	(141,952,672)
Operating profit before impairment		19,939,288	17,895,297	79,976,485	72,851,754
Impairment losses on financial instruments	32	(7,250,015)	(865,761)	(29,079,810)	(3,524,513)
Profit before income tax		12,689,273	17,029,536	50,896,675	69,327,241
Income tax expense	22(C)	(2,221,160)	(2,066,271)	(8,909,073)	(8,411,789)
Net profit for the year		10,468,113	14,963,265	41,987,602	60,915,452
Other comprehensive loss					
Currency translation differences		-	-	(3,282,045)	(16,305,420)
Total comprehensive income for the year		10,468,113	14,963,265	38,705,557	44,610,032

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Share capital		General reserves		Regulatory reserves		Retained earnings		Currency translation reserves		Total	
	US\$	KHR'000 (Note 6)	US\$	KHR'000 (Note 6)	US\$	KHR'000 (Note 6)	US\$	KHR'000 (Note 6)	US\$	KHR'000 (Note 6)	US\$	KHR'000 (Note 6)
2025												
At 1 January 2025	75,000,000	300,000,000	103,000,000	415,688,000	64,150,085	261,513,893	33,098,334	132,455,260	-	(1,782,267)	275,248,419	1,107,874,886
Transactions recognised directly in equity												
Transfers from regulatory reserves to retain earnings	-	-	-	-	(7,580,476)	(30,405,289)	7,580,476	30,405,289	-	-	-	-
Comprehensive income												
Net profit for the year	-	-	-	-	-	-	10,468,113	41,987,602	-	-	10,468,113	41,987,602
Currency translation difference	-	-	-	-	-	-	-	-	-	(3,282,045)	-	(3,282,045)
Total comprehensive income	-	-	-	-	-	-	10,468,113	41,987,602	-	(3,282,045)	10,468,113	38,705,557
At 31 December 2025	75,000,000	300,000,000	103,000,000	415,688,000	56,569,609	231,108,604	51,146,923	204,848,151	-	(5,064,312)	285,716,532	1,146,580,443
2024												
At 1 January 2024	75,000,000	300,000,000	101,000,000	407,546,000	22,239,962	90,897,782	62,045,192	250,297,919	-	14,523,153	260,285,154	1,063,264,854
Transactions recognised directly in equity												
Transfers retain earnings to regulatory reserves	-	-	-	-	41,910,123	170,616,111	(41,910,123)	(170,616,111)	-	-	-	-
Transfers retain earnings to general reserves	-	-	2,000,000	8,142,000	-	-	(2,000,000)	(8,142,000)	-	-	-	-
Comprehensive income												
Net profit for the year	-	-	-	-	-	-	14,963,265	60,915,452	-	-	14,963,265	60,915,452
Currency translation difference	-	-	-	-	-	-	-	-	-	(16,305,420)	-	(16,305,420)
Total comprehensive income	-	-	-	-	-	-	14,963,265	60,915,452	-	(16,305,420)	14,963,265	44,610,032
At 31 December 2024	75,000,000	300,000,000	103,000,000	415,688,000	64,150,085	261,513,893	33,098,334	132,455,260	-	(1,782,267)	275,248,419	1,107,874,886

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

		2025	2024	2025	2024
	Note	US\$	US\$	KHR'000	KHR'000
				(Note 6)	(Note 6)
Cash flows from operating activities					
Net profit for the year		10,468,113	14,963,265	41,987,602	60,915,452
<i>Adjustments for:</i>					
Depreciation and amortisation	30	5,906,013	6,567,743	23,689,018	26,737,282
Interest income	26	(98,299,922)	(99,135,659)	(394,280,987)	(403,581,268)
Interest expense	27	49,348,184	51,685,789	197,935,566	210,412,847
Income tax expense	22 (C)	2,221,160	2,066,271	8,909,073	8,411,789
Loss on intangible assets written off		-	72,382	-	294,667
(Gain)/Loss on property and equipment written off and disposal		(13,791)	1,554	(55,316)	6,326
Impairment loss on property and equipment	14	679,153	-	2,724,083	-
Unrealised foreign exchange losses		5,315	-	21,318	-
Impairment loss on financial instruments	32	7,254,490	865,761	29,097,759	3,524,513
Operating losses before changes in working capital		(22,431,285)	(22,912,894)	(89,971,884)	(93,278,392)
Net changes in working capital					
<i>Changes in:</i>					
Loans and advances to customers		52,164,638	(25,363,347)	209,232,363	(103,254,186)
Statutory deposits		(5,651,770)	(3,068,745)	(22,669,249)	(12,492,861)
Other assets		(1,170,079)	419,163	(4,693,187)	1,706,413
Deposits from customers, other banks and financial institutions		(49,878,926)	127,362,160	(200,064,372)	518,491,353
Other liabilities		(1,063,323)	287,212	(4,264,989)	1,169,240
Cash (used in)/generated from operations		(28,030,745)	76,723,549	(112,431,318)	312,341,567
Interest received		98,785,558	100,290,776	396,228,873	408,283,749
Interest paid		(49,348,184)	(51,685,789)	(197,935,566)	(210,412,847)
Income taxes paid	22(B)	(779,694)	(1,018,188)	(3,127,353)	(4,145,043)
Net cash generated from operating activities		20,626,935	124,310,348	82,734,636	506,067,426

STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

		2025	2024	2025	2024
	Note	US\$	US\$	KHR'000	KHR'000
				(Note 6)	(Note 6)
Cash flows from investing activities					
Placements with other banks		72,420,759	(63,802,233)	290,479,664	(259,738,891)
Acquisition of investment securities	11	(9,972,575)	-	(40,000,000)	-
Purchases of intangible assets	13	(202,919)	(321,270)	(813,908)	(1,307,890)
Purchases of property and equipment	14	(1,762,367)	(244,825)	(7,068,854)	(996,683)
Proceeds from disposal of premises and equipment		20,870	-	83,710	-
Net cash generated from/ (used in) investing activities		60,503,768	(64,368,328)	242,680,612	(262,043,464)
Cash flows from financing activities					
Payment of principal portion of lease liabilities	19	(1,660,573)	(1,578,851)	(6,660,558)	(6,427,502)
Repayment of borrowings	18	(27,563)	(26,927)	(110,555)	(109,620)
Net cash used in financing activities		(1,688,136)	(1,605,778)	(6,771,113)	(6,537,122)
Net increase in cash and cash equivalents		79,442,567	58,336,242	318,644,135	237,486,840
Cash and cash equivalents at beginning of the year		318,710,181	260,373,939	1,282,808,479	1,063,627,541
Currency translation differences		-	-	(3,665,636)	(18,305,902)
Cash and cash equivalents at end of the year	7	398,152,748	318,710,181	1,597,786,978	1,282,808,479

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

1. Reporting entity

J Trust Royal Bank Plc. ("the Bank") is domiciled in the Kingdom of Cambodia. The Bank was originally a joint venture between Australia and New Zealand Banking Group Limited ("ANZ"), a public company incorporated in Australia, through its wholly owned subsidiary ANZ Funds Pty Ltd., with a 55% interest in the joint venture, and Royal Group Finance Co., Ltd., which has been ultimately and solely owned by a private individual in Cambodia who is also the Director of the Bank with a 45% interest in the joint venture.

In August 2019, the sale and purchase of the Bank's shares transaction including the control transfer between ANZ Funds Pty Ltd and J Trust Co., Ltd. ("JT") was completed and JT became the parent company of the Bank from 19 August 2019. The Bank also changed its official name from ANZ Royal Bank (Cambodia) Ltd. to JTrust Royal Bank Ltd. from 19 August 2019. In December 2019, the Bank amended its Memorandum and Articles of Association again and reflected the change in its name from "JTrust Royal Bank Ltd." to "J Trust Royal Bank Plc.", with approval by the National Bank of Cambodia on 10 March 2020 and endorsement by the Ministry of Commerce on 29 April 2020.

The Bank is principally engaged in all aspect of banking business and related financial services in the Kingdom of Cambodia.

The registered office of the Bank is Royal Railway Building No. 10, Russian Blvd, Sangkat Srah Chak, Khan Doun Penh, Phnom Penh, Kingdom of Cambodia.

The Bank operates its business in Phnom Penh and 4 provinces with a network of 17 branches.

As at 31 December 2025, the Bank has 622 employees (2024: 628 employees).

2. Basis of accounting

The financial statements of the Bank have been prepared in accordance with the Cambodian International Financial Reporting Standards ("CIFRSs")

Details of the Bank's material accounting policies are included in Note 37.

The financial statements of the Bank were authorised for issue by the Board of Directors on 31 March 2026.

3. Functional and presentation currency

The Bank transacts its business and maintains its accounting records in United States Dollars ("US\$"). Management has determined the US\$ to be the Bank's functional and presentation currency as it reflects the economic substance of the underlying events and circumstances of the Bank.

These financial statements are presented in US\$, which is the Bank's functional currency. All amounts have been rounded to the nearest dollar or thousand Riels, except when otherwise indicated.

4. Presentation of financial statements

Management presents the financial statements based on liquidity. Information about short-term and long-term of assets and liabilities are disclosed in the financial risk management section. Assets and liabilities over 12 months are considered non-current assets and non-current liabilities, respectively, in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. Use of judgments and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Bank's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

A. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes.

- Note 37C(ii): classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are 'solely payment for principal and interest' ("SPPI") on the principal amount outstanding.
- Note 37C(vii): establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining methodology for incorporating forward-looking information into measurement of 'expected credit loss' ("ECL") and selection and approval of models used to measure ECL.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Note 37C(vi): measurement of the fair value of financial instruments with significant unobservable inputs.
- Note 37C(vii): impairment of financial instruments: determining inputs into the ECL measurement model, including incorporation of forward-looking information.
- Note 37C(vii): impairment of financial instruments: key assumptions used in estimating recoverable cash flows.

6. Translation of United States Dollars into Khmer Riel

The financial statements are expressed in United States Dollars ("US\$") which is the Bank's functional currency. The translations of US\$ amount into Khmer Riel ("KHR") meets the presentation requirements pursuant to Law on Accounting and Auditing and has been done in compliance with CIAS 21- *The Effects of Changes in Foreign Exchange Rates*.

Assets and liabilities are translated at the closing rate as at the reporting date. Share capital and other equity accounts are translated at the historical rate. The statements of profit or loss and other comprehensive income and cash flows are translated into KHR using the average rate for the year, which has been deemed to approximate the exchange rate at the date of transaction as exchange rates have not fluctuated significantly during the period. Exchange differences arising from the translation are recognised as "Currency translation difference" in the other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The Bank uses the prescribed official exchange rate based on the following applicable exchange rate per US\$ as announced by the National Bank of Cambodia ("NBC"):

			Closing rate	Average rate*
31 December 2025	US\$1 =		KHR4,013	KHR4,011
31 December 2024	US\$1 =		<u>KHR4,025</u>	<u>KHR4,071</u>

* The average amounts were determined using the NBC's daily rates.

These translations should not be construed as representations that the US\$ amounts have been, could have been, or could in the future be, converted into KHR at this or any other rate of exchange.

7. Cash and cash equivalents

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Cash on hand	35,173,636	34,697,693	141,151,801	139,658,214
<i>Bank balances with original maturity of less than 3 months:</i>				
Bank balances with National Bank of Cambodia	167,064,745	128,454,994	670,430,822	517,031,351
Bank balances with other banks	<u>195,914,367</u>	<u>155,557,494</u>	<u>786,204,355</u>	<u>626,118,914</u>
	398,152,748	318,710,181	1,597,786,978	1,282,808,479
Less: allowance for impairment loss	<u>(173,350)</u>	<u>(207,557)</u>	<u>(695,654)</u>	<u>(835,417)</u>
	<u>397,979,398</u>	<u>318,502,624</u>	<u>1,597,091,324</u>	<u>1,281,973,062</u>

The movements of allowance for impairment loss on cash and cash equivalents during the year were as follows:

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
At 1 January	207,557	304,571	835,417	1,244,173
Recognised in profit or loss (Note 32)	(34,207)	(97,014)	(137,204)	(394,944)
Currency translation difference	-	-	(2,559)	(13,812)
At 31 December	<u>173,350</u>	<u>207,557</u>	<u>695,654</u>	<u>835,417</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Gross amounts of cash and cash equivalents were analysed as follows:

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)

By relationship:

Non-related parties	398,031,070	318,549,908	1,597,298,684	1,282,163,380
Related parties	<u>121,678</u>	<u>160,273</u>	<u>488,294</u>	<u>645,099</u>
	<u>398,152,748</u>	<u>318,710,181</u>	<u>1,597,786,978</u>	<u>1,282,808,479</u>

8. Placements with other banks

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
National Bank of Cambodia (*)	5,123,229	6,015,784	20,559,518	24,213,531
Other banks	<u>35,753,634</u>	<u>107,281,838</u>	<u>143,479,333</u>	<u>431,809,397</u>
	40,876,863	113,297,622	164,038,851	456,022,928
Less: allowance for impairment loss	<u>(231,156)</u>	<u>(925,255)</u>	<u>(927,629)</u>	<u>(3,724,151)</u>
	<u>40,645,707</u>	<u>112,372,367</u>	<u>163,111,222</u>	<u>452,298,777</u>

(*) The Bank has pledged Negotiable Certificates of Deposit ("NCD") of US\$1,400,000 as at 31 December 2025 (31 December 2024: US\$6,000,000) with the NBC as collateral against the overdraft facilities with the NBC in connection with the Cambodian Shared Switch "CSS". As at 31 December 2025, the Bank had not utilised the overdraft on settlement clearing facility yet. NCD earn interest at rate of 0.95% at 31 December 2025 (31 December 2024: 1.16%) per annum.

The movements of allowance for impairment loss on placements with other banks during the year were as follows:

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
At 1 January	925,255	674,791	3,724,151	2,756,521
Recognised in profit or loss (Note 32)	(694,099)	250,464	(2,784,031)	1,019,639
Currency translation difference	-	-	(12,491)	(52,009)
At 31 December	<u>231,156</u>	<u>925,255</u>	<u>927,629</u>	<u>3,724,151</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. Placements with other banks (continued)

Gross amounts of placements with other banks were analysed as follows:

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
A. By maturity:				
Within 1 month	20,420,801	48,647,144	81,948,674	195,804,755
> 1 to 3 months	-	-	-	-
> 3 to 6 months	10,288,822	19,388,490	41,289,043	78,038,672
> 6 to 12 months	10,167,240	45,261,988	40,801,134	182,179,501
	<u>40,876,863</u>	<u>113,297,622</u>	<u>164,038,851</u>	<u>456,022,928</u>
B. By currency:				
US Dollars	30,709,622	93,190,484	123,237,713	375,091,698
Khmer Riel	10,167,241	20,107,138	40,801,138	80,931,230
	<u>40,876,863</u>	<u>113,297,622</u>	<u>164,038,851</u>	<u>456,022,928</u>
C. By interest rate (per annum):				

Annual interest rates on Placements with other banks are as follows:

	2025	2024
National Bank of Cambodia	0.95% - 1.16%	0.50% - 1.16%
Other banks	<u>3.60% - 5.50%</u>	<u>3.60% - 7.75%</u>

9. Statutory deposits

	Note	31 December		31 December	
		2025	2024	2025	2024
		US\$	US\$	KHR'000	KHR'000
				(Note 6)	(Note 6)
Statutory capital deposit	A	7,500,000	7,500,000	30,097,500	30,187,500
Reserve requirements on deposits from customers, banks and financial institutions	B	<u>72,333,733</u>	<u>66,681,963</u>	<u>290,275,271</u>	<u>268,394,901</u>
		<u>79,833,733</u>	<u>74,181,963</u>	<u>320,372,771</u>	<u>298,582,401</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. Statutory deposits (continued)

A. Statutory capital deposit

Under the NBC's Prakas No. B7-01-136 dated 15 October 2001, the Bank is required to maintain a statutory deposit of 10% of its registered capital with the NBC. This deposit is not available for use in the Bank's day-to-day operations and is refundable should the Bank voluntarily ceases its operations in the Kingdom of Cambodia. During the year, the statutory capital deposit earned interest at the rate of 1.04% (2024: 1.30%) per annum.

B. Reserve requirements on deposits from customers, banks and financial institutions and non-resident borrowings

On 9 January 2023, the NBC repealed the Prakas No. B7-020-230 on the Maintenance of Reserve Requirements against Banks and Financial Institutions' Deposits and Borrowings and issued new Prakas No. B7-023-005, which requires Banking and Financial Institutions to maintain reserve requirement against deposits and borrowings at daily average balance with the NBC as follows:

- For local currency (Khmer Riel):
 - » Reserve requirement shall be maintained at 7%
- For foreign currencies (other than Khmer Riel):
 - » From 1 January 2023 to 31 December 2023, reserve requirement shall be maintained at 9%
 - » From 1 January 2024 onwards, reserve requirement shall be maintained at 12.5%

However, the NBC subsequently issued the following letters allowing Banking and Financial Institutions to maintain reserve requirement in foreign currency at 7%:

- Letter No. B7-023-2621 dated 23 November 2023, effective until 31 December 2024
- Letter No. B7-024-1718 Chhor Tor dated 21 August 2024, effective until 31 December 2025
- Letter No. B30-026-013 dated 5 January 2026, effective until 31 December 2026

These reserve requirements bear no interest.

10. Loans and advances to customers – net

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Term loans	511,228,377	544,173,660	2,051,559,476	2,190,298,982
Overdrafts	74,357,177	70,185,701	298,395,351	282,497,447
Housing loans	218,100,816	223,549,246	875,238,575	899,785,715
Trade finance loans	159,491,141	184,985,737	640,037,949	744,567,591
Credit cards	3,257,603	3,473,909	13,072,761	13,982,484
Loans and advances – gross	<u>966,435,114</u>	<u>1,026,368,253</u>	<u>3,878,304,112</u>	<u>4,131,132,219</u>
Less: allowance for Impairment loss	<u>(17,901,389)</u>	<u>(17,240,171)</u>	<u>(71,838,274)</u>	<u>(69,391,689)</u>
Loans and advances – net	<u>948,533,725</u>	<u>1,009,128,082</u>	<u>3,806,465,838</u>	<u>4,061,740,530</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Loans and advances to customers – net (continued)

(i) The movements of impairment loss allowance on loans and advances to customers were as follows:

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
At 1 January	17,240,171	15,144,606	69,391,689	61,865,716
Allowance for impairment loss during the year (Note 32)	7,881,065	916,370	31,610,951	3,730,542
Write-offs	(7,852,143)	-	(31,494,946)	-
Unwinding of discount	632,296	1,179,195	2,536,139	4,800,503
Currency translation difference	-	-	(205,559)	(1,005,072)
At 31 December	17,901,389	17,240,171	71,838,274	69,391,689

(ii) Gross amounts of loans and advances to customers were analysed as follows:

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
By maturity:				
Within 1 month	36,989,184	48,280,555	148,437,595	194,329,234
> 1 to 3 months	74,519,113	110,419,616	299,045,200	444,438,955
> 3 to 6 months	134,687,772	177,359,159	540,502,029	713,870,615
> 6 to 12 months	46,869,083	88,907,753	188,085,630	357,853,706
> 1 to 3 years	123,878,204	103,387,047	497,123,233	416,132,864
> 3 to 5 years	114,231,348	97,424,486	458,410,400	392,133,556
Over 5 years	435,260,410	400,589,637	1,746,700,025	1,612,373,289
	966,435,114	1,026,368,253	3,878,304,112	4,131,132,219
By industry:				
Services	103,179,387	127,614,906	414,058,881	513,649,998
Wholesale and retail	219,188,166	246,612,248	879,602,110	992,614,298
Consumer items	206,257,423	211,141,855	827,711,038	849,845,966
Real estate	115,359,879	99,582,106	462,939,194	400,817,977
Construction	140,175,098	155,081,680	562,522,668	624,203,762
Food industries	59,746,873	62,306,562	239,764,201	250,783,912
Manufacturing	27,692,033	25,442,004	111,128,128	102,404,066
Staff loans	21,269,977	21,394,526	85,356,418	86,112,967
Others	73,566,278	77,192,366	295,221,474	310,699,273
	966,435,114	1,026,368,253	3,878,304,112	4,131,132,219

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Loans and advances to customers – net (continued)

(ii) Gross amounts of loans and advances to customers were analysed as follows: (continued)

	2025	2024
By interest rate (per annum):		
Term loans	6.80% - 25.00%	6.80% - 25.00%
Overdrafts	6.00% - 12.00%	6.80% - 12.50%
Housing loans	3.75% - 11.00%	3.75% - 11.00%
Trade finance loans	6.60% - 9.00%	6.70% - 11.00%
Credit cards	12.00% - 24.00%	12.00% - 24.00%

For additional analysis on the gross amount of loans and advances to customers, refer to Note 35 (B).

11. Investment securities

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Investment securities measured at amortised cost	10,030,278	-	40,251,506	-
Less: Impairment loss allowance	(215,597)	-	(865,191)	-
	9,814,681	-	39,386,315	-

During the year, the Bank has invested KHR40,000,000,000 in subordinated bond issued by the Acleda Bank Plc and designated this investment to be measured at amortised cost. This subordinated bond has terms of 7 years with maturity on 4 March 2032 and earn interest at 8.5% per annum.

The movement of investment securities to cash flows arising from investing and operating activities was as follows:

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
At 1 January	-	-	-	-
Changes from investing cash flows				
Purchases of investment securities	9,972,575	-	40,000,000	-
Changes from operating cash flows				
Interest income	701,673	-	2,814,410	-
Interest received	(638,655)	-	(2,561,644)	-
Loss on foreign exchange rate	(5,315)	-	(21,318)	-
Currency translation difference	-	-	20,058	-
At 31 December	10,030,278	-	40,251,506	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. Investment securities (continued)

The movement of impairment loss allowance on investment securities during the year was as follows:

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
At 1 January	-	-	-	-
Recognise in profit or loss (Note 32)	215,597	-	864,760	-
Currency translation difference	-	-	431	-
At 31 December	215,597	-	865,191	-

12. Other assets

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Unamortised staff benefits (i)	7,987,308	7,942,715	32,053,067	31,969,428
Deposits and prepayments	4,328,795	3,313,467	17,371,454	13,336,705
Derivative financial instruments (ii)	273,820	167,660	1,098,840	674,832
Others	29,587	25,589	118,733	102,995
	12,619,510	11,449,431	50,642,094	46,083,960

(i) This represents the staff benefits in a form of loan to staff at a lower interest rate as compared to prevailing market rate. The Bank has amortised the difference on straight-line basis over contractual term of the staff loans.

(ii) This represents currency swap agreements entered into by the bank with other financial institutions to manage its exposure to foreign currency risk.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. Intangible assets

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Computer software				
Cost				
At 1 January	14,525,871	14,331,966	58,466,631	58,546,081
Addition	202,919	321,270	813,908	1,307,890
Written off	(4,371)	(127,365)	(17,532)	(518,503)
Currency translation difference	-	-	(173,914)	(868,837)
At 31 December	14,724,419	14,525,871	59,089,093	58,466,631
Less: accumulated amortisation				
At 1 January	6,263,142	4,205,026	25,209,147	17,177,531
Amortisation (Note 30)	2,144,179	2,113,099	8,600,302	8,602,426
Written off	(4,371)	(54,983)	(17,532)	(223,836)
Currency translation difference	-	-	(70,879)	(346,974)
At 31 December	8,402,950	6,263,142	33,721,038	25,209,147
Carrying amounts				
At 1 January	8,262,729	10,126,940	33,257,484	41,368,550
At 31 December	6,321,469	8,262,729	25,368,055	33,257,484

14. Property and equipment

	Computers	Furniture and equipment	Motor vehicles	Leasehold improvements	Work in progress	Total	
	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000
							(Note 6)
2025							
Cost							
At 1 January 2025	5,959,676	3,663,819	778,340	9,086,302	-	19,488,137	78,439,751
Additions	635,684	32,846	189,000	-	904,837	1,762,367	7,068,854
Written off	(1,402)	-	-	-	-	(1,402)	(5,623)
Disposals	(685,954)	(33,492)	(34,500)	(1,806)	-	(755,752)	(3,031,321)
Currency translation difference	-	-	-	-	-	-	(231,847)
At 31 December 2025	5,908,004	3,663,173	932,840	9,084,496	904,837	20,493,350	82,239,814
Less: accumulated depreciation and impairment losses							
At 1 January 2025	5,056,617	2,815,490	778,340	6,767,608	-	15,418,055	62,057,671
Depreciation (Note 30)	466,705	407,822	21,852	1,075,210	-	1,971,589	7,908,043
Written off	(1,402)	-	-	-	-	(1,402)	(5,623)
Disposals	(678,874)	(33,493)	(34,500)	(1,806)	-	(748,673)	(3,002,927)
Impairment losses (Note 31)	-	122,979	-	556,174	-	679,153	2,724,083
Currency translation difference	-	-	-	-	-	-	(181,215)
At 31 December 2025	4,843,046	3,312,798	765,692	8,397,186	-	17,318,722	69,500,032
Carrying amounts							
At 1 January 2025	903,059	848,329	-	2,318,694	-	4,070,082	16,382,080
At 31 December 2025	1,064,958	350,375	167,148	687,310	904,837	3,174,628	12,739,782

As at 31 December 2025, fully depreciated property and equipment with an original cost of US\$10,980,799 (2024: US\$9,494,986) are still in active use. The disposal and written off amounts included the fully depreciated property and equipment with costs amounting to US\$761,525 (2024: US\$211,237).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14. Property and equipment (continued)

	Computers	Furniture and equipment	Motor vehicles	Leasehold improvements	Work in progress	Total	
	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000 (Note 6)
2024							
Cost							
At 1 January 2024	5,759,927	3,683,278	778,340	9,064,433	41,206	19,327,185	78,951,551
Additions	225,340	5,398	-	55,293	(41,206)	244,825	996,683
Written off	(20,508)	-	-	-	-	(20,508)	(83,492)
Disposals	(5,083)	(24,857)	-	(33,424)	-	(63,364)	(257,955)
Currency translation difference	-	-	-	-	-	-	(1,167,036)
At 31 December 2024	5,959,676	3,663,819	778,340	9,086,302	-	19,488,137	78,439,751
Less: accumulated depreciation							
At 1 January 2024	4,139,613	2,329,553	649,144	5,704,334	-	12,822,644	52,380,501
Depreciation (Note 30)	941,042	510,794	129,196	1,096,698	-	2,677,730	10,901,039
Written off	(18,955)	-	-	-	-	(18,955)	(77,166)
Disposals	(5,083)	(24,857)	-	(33,424)	-	(63,364)	(257,955)
Currency translation difference	-	-	-	-	-	-	(888,748)
At 31 December 2024	5,056,617	2,815,490	778,340	6,767,608	-	15,418,055	62,057,671
Carrying amounts							
At 1 January 2024	1,620,314	1,353,725	129,196	3,360,099	41,206	6,504,541	26,571,050
At 31 December 2024	903,059	848,329	-	2,318,694	-	4,070,082	16,382,080

15. Right-of-use assets

Information about the Bank's leases is disclosed within this note and Note 19.

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000 (Note 6)	KHR'000 (Note 6)
Right-of-use assets	7,062,389	8,576,087	28,341,367	34,518,750

The Bank leases the building and branch offices it uses for its operations. Information about leases for which the Bank is a lessee is disclosed below.

	2025	2024	2025	2024
	US\$	US\$	KHR'000 (Note 6)	KHR'000 (Note 6)
Right-of-use assets				
At 1 January	8,576,087	9,972,174	34,518,750	40,736,330
Additions	276,547	380,827	1,109,230	1,550,347
Depreciation for the year (Note 30)	(1,790,245)	(1,776,914)	(7,180,673)	(7,233,817)
Currency translation difference	-	-	(105,940)	(534,110)
At 31 December	7,062,389	8,576,087	28,341,367	34,518,750

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. Deposits from customers

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000 (Note 6)	KHR'000 (Note 6)
Current accounts (*)	280,969,453	307,784,110	1,127,530,415	1,238,831,043
Saving deposits	215,478,037	134,680,763	864,713,362	542,090,071
Fixed deposits	450,781,179	545,585,210	1,808,984,871	2,195,980,470
	947,228,669	988,050,083	3,801,228,648	3,976,901,584

(*) Include margin deposits which are interest free and are encumbered for trade line and guarantee granted to customers.

Deposits from customers were analysed as follows:

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000 (Note 6)	KHR'000 (Note 6)
A. By maturity:				
Within 1 month	546,690,581	492,738,064	2,193,869,301	1,983,270,708
> 1 to 3 months	155,530,019	141,641,730	624,141,966	570,107,963
> 3 to 6 months	69,009,740	115,297,086	276,936,087	464,070,771
> 6 to 12 months	171,695,633	208,681,080	689,014,575	839,941,347
1 to 3 years	4,302,696	9,824,873	17,266,719	39,545,114
3 to 5 years	-	19,867,250	-	79,965,681
	947,228,669	988,050,083	3,801,228,648	3,976,901,584
B. By customer type:				
Corporations	310,945,514	360,130,818	1,247,824,347	1,449,526,542
Individuals	632,686,461	625,521,625	2,538,970,768	2,517,724,541
Others	3,596,694	2,397,640	14,433,533	9,650,501
	947,228,669	988,050,083	3,801,228,648	3,976,901,584
C. By residency status:				
Residents	945,807,839	986,397,462	3,795,526,857	3,970,249,784
Non-residents	1,420,830	1,652,621	5,701,791	6,651,800
	947,228,669	988,050,083	3,801,228,648	3,976,901,584
D. By relationship:				
Non-related parties	885,319,259	937,814,902	3,552,786,186	3,774,704,980
Related parties (Note 34 (D))	61,909,410	50,235,181	248,442,462	202,196,604
	947,228,669	988,050,083	3,801,228,648	3,976,901,584

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. Deposits from customers (continued)

E. By interest rate (per annum):

Annual interest rate for deposits from customers are as follows:

	2025	2024
Current accounts	0.00% - 4.55%	0.00% - 4.55%
Saving accounts	0.00% - 5.00%	0.00% - 5.00%
Fixed deposits	0.00% - 8.00%	0.00% - 8.00%

17. Deposits from other banks and financial institutions

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000 (Note 6)	KHR'000 (Note 6)
<i>Through customers' accounts:</i>				
Current accounts	23,337,172	16,410,699	93,652,071	66,053,063
Saving accounts	593,163	104,116	2,380,363	419,067
Fixed deposits	100,651,073	64,355,713	403,912,756	259,031,745
	<u>124,581,408</u>	<u>80,870,528</u>	<u>499,945,190</u>	<u>325,503,875</u>
<i>Through NBCs' accounts:</i>				
Fixed deposits	133,139,350	185,907,742	534,288,212	748,278,662
	<u>257,720,758</u>	<u>266,778,270</u>	<u>1,034,233,402</u>	<u>1,073,782,537</u>

Deposits from other banks and financial institutions were analysed as follows:

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000 (Note 6)	KHR'000 (Note 6)
A. By maturity:				
Within 1 month	43,150,976	57,926,817	173,164,867	233,155,438
> 1 to 3 months	71,789,753	76,681,397	288,092,279	308,642,623
> 3 to 6 months	61,633,148	49,056,565	247,333,823	197,452,674
> 6 to 12 months	24,378,570	73,844,980	97,831,201	297,226,045
1 to 3 years	12,716,902	9,268,511	51,032,928	37,305,757
3 to 5 years	44,051,409	-	176,778,304	-
	<u>257,720,758</u>	<u>266,778,270</u>	<u>1,034,233,402</u>	<u>1,073,782,537</u>
B. By residency status:				
Residents	257,714,712	266,777,963	1,034,209,139	1,073,781,301
Non-residents	6,046	307	24,263	1,236
	<u>257,720,758</u>	<u>266,778,270</u>	<u>1,034,233,402</u>	<u>1,073,782,537</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17. Deposits from other banks and financial institutions (Continued)

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000 (Note 6)	KHR'000 (Note 6)
C. By relationship:				
Non-related parties	177,711,329	207,442,823	713,155,563	834,957,363
Related parties (Note 34 (D))	80,009,429	59,335,447	321,077,839	238,825,174
	<u>257,720,758</u>	<u>266,778,270</u>	<u>1,034,233,402</u>	<u>1,073,782,537</u>

D. By interest rate (per annum):

Annual interest rate for deposits from other banks and financial institutions are as follows:

	2025	2024
Current accounts	0.00% - 2.00%	0.00% - 2.00%
Saving accounts	0.00% - 2.50%	0.80%
Fixed deposits	0.00% - 7.20%	0.00% - 7.20%

18. Borrowings

	2025	2024	2025	2024
	US\$	US\$	KHR'000 (Note 6)	KHR'000 (Note 6)
At 1 January	155,689	182,616	626,648	745,986
Repayment during the year	(27,563)	(26,927)	(110,555)	(109,620)
Currency translation difference	-	-	(1,923)	(9,718)
At 31 December	<u>128,126</u>	<u>155,689</u>	<u>514,170</u>	<u>626,648</u>

The borrowing represents an unsecured facility bearing interest at 2.5% per annum. It is repayable in fixed monthly instalments of US\$2,598 inclusive of principal and interest over the term of borrowing until its maturity in April 2030. As at the reporting date, the borrowing is not subjected to any covenant requirements.

19. Lease liabilities

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000 (Note 6)	KHR'000 (Note 6)
Present value of lease liabilities				
Current	1,792,850	1,816,813	7,194,707	7,312,672
Non-current	6,269,775	7,629,838	25,160,607	30,710,098
	<u>8,062,625</u>	<u>9,446,651</u>	<u>32,355,314</u>	<u>38,022,770</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. Lease liabilities (continued)

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Maturity analysis – contractual undiscounted cash flows				
Less than one year	2,194,548	2,144,423	8,806,721	8,631,302
One to five years	4,531,683	5,717,185	18,185,644	23,011,670
More than five years	2,775,466	3,678,502	11,137,945	14,805,971
Total undiscounted lease liabilities	9,501,697	11,540,110	38,130,310	46,448,943

The movements of lease liabilities during the year were as follows:

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
At 1 January	9,446,651	10,644,675	38,022,770	43,483,497
Additions	276,547	380,827	1,109,230	1,550,347
Interest expense	480,890	554,335	1,928,850	2,256,698
Interest paid	(480,890)	(554,335)	(1,928,850)	(2,256,698)
Principal portion of lease payments	(1,660,573)	(1,578,851)	(6,660,558)	(6,427,502)
Currency translation difference	-	-	(116,128)	(583,572)
At 31 December	8,062,625	9,446,651	32,355,314	38,022,770

Amounts recognised in statement of profit or loss were as follows:

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Interest expense on lease	480,890	554,335	1,928,850	2,256,698
Expenses relating to short-term leases and low-value assets (Note 31)	371,811	357,291	1,491,334	1,454,532
	852,701	911,626	3,420,184	3,711,230

Amounts recognised in the statement of cash flows were as follows:

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Total cash outflow for leases	1,660,573	1,578,851	6,660,558	6,427,502

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20. Other liabilities

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Employee entitlements	1,678,832	1,731,332	6,737,153	6,968,611
Accrued expenses	427,098	351,193	1,713,944	1,413,552
Banker's cheques	135,518	372,746	543,834	1,500,303
Other tax payable	348,385	744,908	1,398,069	2,998,255
Others	175,600	585,246	704,682	2,355,616
	2,765,433	3,785,425	11,097,682	15,236,337

21. Provision for employee benefits

This represents the provision of the backpay seniority indemnity payment, which is circulated at a maximum of six-month wages (depending on the length of service the employee has served) to the employee who has seniority before 2019 as required by Prakas No. 443 issued by the Ministry of Labor and Vocational Training on 21 September 2018, and subsequently amended by Instruction No. 042/19 dated 22 March 2019. Following the instruction, the Bank initiated the first backpay seniority indemnity payment in June 2022, with subsequent payments occurring in June and December of each year thereafter.

22. Income tax

A. Deferred tax liabilities

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Deferred tax assets	3,437,273	6,440,432	13,793,777	25,922,739
Deferred tax liabilities	(8,030,674)	(9,345,956)	(32,227,095)	(37,617,473)
Deferred tax liabilities – net	(4,593,401)	(2,905,524)	(18,433,318)	(11,694,734)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. Income tax (continued)

A. Deferred tax liabilities (continued)

Net deferred tax liabilities are attributable to the following:

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Depreciation and amortisation	1,338,613	954,537	5,371,854	3,842,011
Right-of-use assets	(1,412,478)	(1,715,217)	(5,668,274)	(6,903,748)
Lease liabilities	1,612,525	1,889,330	6,471,063	7,604,553
Impairment loss allowance on financial instruments and off – balance sheet commitment	(6,563,432)	(7,598,444)	(26,339,053)	(30,583,737)
Tax loss carry forward	-	3,135,741	-	12,621,358
Others	431,371	428,529	1,731,092	1,724,829
	<u>(4,593,401)</u>	<u>(2,905,524)</u>	<u>(18,433,318)</u>	<u>(11,694,734)</u>

The movements of net deferred tax liabilities during the year were as follows:

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
At 1 January	(2,905,524)	(894,253)	(11,694,734)	(3,653,024)
Recognised in profit or loss	(1,687,877)	(2,011,271)	(6,770,075)	(8,187,884)
Currency translation difference	-	-	31,491	146,174
At 31 December	<u>(4,593,401)</u>	<u>(2,905,524)</u>	<u>(18,433,318)</u>	<u>(11,694,734)</u>

B. Current income tax credit

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
At 1 January	(243,545)	719,643	(980,269)	2,939,742
Current tax expense	1,190,442	55,000	4,774,863	223,905
Income tax paid	(779,694)	(1,018,188)	(3,127,353)	(4,145,043)
Over provision in prior years	(657,159)	-	(2,635,865)	-
Currency translation difference	-	-	2,431	1,127
At 31 December	<u>(489,956)</u>	<u>(243,545)</u>	<u>(1,966,193)</u>	<u>(980,269)</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. Income tax (continued)

C. Income tax expense

In accordance with Cambodian Law on Taxation, the Bank has an obligation to pay corporate income tax of either the tax on income at the rate of 20% of taxable income or the minimum tax at 1% of annual turnover, whichever is higher.

The minimum tax can be exempted should the Bank maintains proper accounting records as defined in the Prakas No. 638 issued by the General Department of Taxation ("GDT") in which it is subject to be approved by the GDT.

On 18 February 2025, the Bank obtained the confirmation letter on keeping a proper accounting records, which cover for the fiscal years of 2025 and 2026, from the GDT. The Bank is therefore exempted from the minimum tax during these periods.

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Current tax expense	1,190,442	55,000	4,774,863	223,905
Over provision in prior years	(657,159)	-	(2,635,865)	-
Deferred tax expense	1,687,877	2,011,271	6,770,075	8,187,884
	<u>2,221,160</u>	<u>2,066,271</u>	<u>8,909,073</u>	<u>8,411,789</u>

The reconciliation of income tax computed at the statutory tax rate of 20% of taxable income shown in profit or loss follows:

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Profit before income tax	12,689,273	17,029,536	50,896,675	69,327,241
Income tax using statutory rate at 20%	2,537,855	3,405,907	10,179,336	13,865,447
Non-deductible expenses and others	(316,695)	(1,339,636)	(1,270,263)	(5,453,658)
Income tax expense	<u>2,221,160</u>	<u>2,066,271</u>	<u>8,909,073</u>	<u>8,411,789</u>

The calculation of taxable income is subject to the final review and approval of the tax authorities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

23. Share capital

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000 (Note 6)	KHR'000 (Note 6)
Shares with par value of US\$100 per share: Issued and fully paid - 750,000 shares	75,000,000	75,000,000	300,000,000	300,000,000

There were no changes in shareholders and shareholding structure during the year. As at reporting date, the shareholding structure is as follows:

	Registered, issued and fully paid					
	As at 31 December 2025			As at 31 December 2024		
	Number of shares	Amount US\$	%	Number of shares	Amount US\$	%
Royal Group Finance Co., Ltd	337,500	33,750,000	45	337,500	33,750,000	45
J Trust Co. Ltd.	412,500	41,250,000	55	412,500	41,250,000	55
	<u>750,000</u>	<u>75,000,000</u>	<u>100</u>	<u>750,000</u>	<u>75,000,000</u>	<u>100</u>

24. General reserves

There was no amount transferred between retained earnings to general reserve during the year. In 2024, an amount of US\$2,000,000 was transferred from retained earnings to the general reserve with approval from the NBC on 6 June 2024.

25. Regulatory reserves

Regulatory reserves represent the variance between impairment loss allowance on financial instrument in accordance with CIFRSs and the regulatory provision in accordance with the requirement of the NBC as per Article 73 of NBC's Prakas No. B7-017-344 dated 1 December 2017.

As at 31 December 2025, the Bank transferred from regulatory reserves to the retained earnings amount of US\$7,580,476 (2024: transferred from retained earnings to regulatory reserves US\$41,910,123).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

25. Regulatory reserves (continued)

	Balances with other banks	Loans and advances to customers	Investment securities	Off-balance sheet items	Total
	US\$	US\$	US\$	US\$	US\$
31 December 2025					
Allowance per NBC	2,317,233	71,744,525	100,303	1,013,252	75,175,313
Allowance per CIFRS 9	404,506	17,901,389	215,597	84,211	18,605,703
Regulatory reserves (A)	<u>1,912,727</u>	<u>53,843,136</u>	<u>(115,294)</u>	<u>929,041</u>	<u>56,569,610</u>
KHR'000 (Note 6)					<u>231,108,604</u>
31 December 2024					
Allowance per NBC	2,630,987	78,623,058	-	1,467,101	82,721,146
Allowance per CIFRS 9	<u>1,132,812</u>	<u>17,240,171</u>	<u>-</u>	<u>198,077</u>	<u>18,571,060</u>
Regulatory reserves (B)	<u>1,498,175</u>	<u>61,382,887</u>	<u>-</u>	<u>1,269,024</u>	<u>64,150,086</u>
Transfer from retained earnings to regulatory reserves (A - B)					<u>(7,580,476)</u>
KHR'000 (Note 6)					<u>(30,405,289)</u>

26. Interest income

	2025	2024	2025	2024
	US\$	US\$	KHR'000 (Note 6)	KHR'000 (Note 6)
Loans and advances to customers	83,783,401	82,756,474	336,055,221	336,901,605
Placements with other banks	13,712,648	16,276,849	55,001,431	66,263,053
Placements with NBC	102,200	102,336	409,925	416,610
Investment securities	<u>701,673</u>	<u>-</u>	<u>2,814,410</u>	<u>-</u>
	<u>98,299,922</u>	<u>99,135,659</u>	<u>394,280,987</u>	<u>403,581,268</u>

27. Interest expense

	2025	2024	2025	2024
	US\$	US\$	KHR'000 (Note 6)	KHR'000 (Note 6)
Fixed deposits	32,791,983	36,578,430	131,528,644	148,910,789
Savings deposits	4,224,255	2,214,895	16,943,487	9,016,838
Current deposits	3,087,494	3,055,801	12,383,938	12,440,166
Deposits from banks and financial institutions	8,759,952	9,263,179	35,136,167	37,710,400
Borrowings	3,610	19,149	14,480	77,956
Lease liabilities	<u>480,890</u>	<u>554,335</u>	<u>1,928,850</u>	<u>2,256,698</u>
	<u>49,348,184</u>	<u>51,685,789</u>	<u>197,935,566</u>	<u>210,412,847</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

28. Net fee, commission and other income

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Trade and payment income	3,683,885	3,332,171	14,776,063	13,565,268
Lending fees	1,435,799	1,208,657	5,758,990	4,920,442
Other fees	1,159,792	988,014	4,651,926	4,022,205
	6,279,476	5,528,842	25,186,979	22,507,915
Fee and commission expense	(170,280)	(171,030)	(682,993)	(696,263)
Bank charges	(1,334,236)	(1,131,113)	(5,351,621)	(4,604,761)
	(1,504,516)	(1,302,143)	(6,034,614)	(5,301,024)
Net fee and commission income	4,774,960	4,226,699	19,152,365	17,206,891
Foreign exchange earnings	1,656,374	1,087,967	6,643,716	4,429,114
	6,431,334	5,314,666	25,796,081	21,636,005

29. Personnel expenses

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Salaries and wages	14,819,608	14,392,599	59,441,448	58,592,271
Performance reward scheme	1,650,000	1,695,466	6,618,150	6,902,242
Seniority expense	926,683	896,911	3,716,926	3,651,325
Pension fund	539,244	573,152	2,162,908	2,333,302
Others	1,619,129	1,924,657	6,494,325	7,835,278
	19,554,664	19,482,785	78,433,757	79,314,418

30. Depreciation and amortisation

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Amortisation of intangible assets (Note 13)	2,144,179	2,113,099	8,600,302	8,602,426
Depreciation on property and equipment (Note 14)	1,971,589	2,677,730	7,908,043	10,901,039
Depreciation on right-of-use assets (Note 15)	1,790,245	1,776,914	7,180,673	7,233,817
	5,906,013	6,567,743	23,689,018	26,737,282

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31. General and administrative expenses

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Computer related expenses	3,672,711	3,664,811	14,731,244	14,919,446
Donation expense	1,257,734	264,041	5,044,771	1,074,911
Impairment loss on property and equipment (Note 24)(*)	679,153	-	2,724,083	-
License and memberships fee	580,510	540,578	2,328,426	2,200,693
Utilities and other outgoings	523,472	566,323	2,099,646	2,305,501
Security expenses	409,285	428,523	1,641,642	1,744,517
Lease expense of low-value assets and short-term leases (Note 19)	371,811	357,291	1,491,334	1,454,532
Withholding tax & VAT	360,375	474,063	1,445,464	1,929,910
Advertising	337,392	312,965	1,353,279	1,274,081
Data communication	332,397	370,334	1,333,244	1,507,630
Outsourcing costs	303,058	362,331	1,215,566	1,475,050
Professional fees (**)	292,755	199,834	1,174,240	813,524
Travel expense	121,728	137,811	488,251	561,029
Postage and stationeries	81,684	101,841	327,635	414,595
Freight and cartage	57,917	72,107	232,305	293,548
Telephone	38,660	45,028	155,065	183,309
Loss on property and equipment	7,020	73,935	28,157	300,989
Non – lending losses, frauds and forgeries	-	7,088	-	28,855
Others	555,445	839,807	2,227,890	3,418,852
Total	9,983,107	8,818,711	40,042,242	35,900,972

(*) This represents the expected impairment loss on the property and equipment arising from the planned relocation from the existing office building to the new office building, which is scheduled to be completed by the end of March 2026.

(**) Professional fee includes audit fees expense to the auditor amounting to US\$128,000 inclusive of VAT for the year ended 31 December 2025 (2024: US\$86,504).

32. Impairment losses on financial instruments

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Loans and advances to customers (Note 10)	7,881,065	916,370	31,610,951	3,730,542
Cash and cash equivalents (Note 7)	(34,207)	(97,014)	(137,204)	(394,944)
Placements with other banks (Note 8)	(694,099)	250,464	(2,784,031)	1,019,639
Investment securities (Note 11)	215,597	-	864,760	-
Off-balance sheet commitments (Note 33 (A))	(113,866)	(204,059)	(456,717)	(830,724)
	7,254,490	865,761	29,097,759	3,524,513
Recovery during the year	(4,475)	-	(17,949)	-
	7,250,015	865,761	29,079,810	3,524,513

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

33. Commitments and contingencies

A. Operations

In the normal course of business, the Bank makes various commitments and incurs certain contingencies with legal recourse to its customers. No material losses are anticipated from these transactions, which consist of:

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Bank guarantees	11,156,503	14,104,311	44,771,047	56,769,852
Letters of credit	50,106,028	43,992,429	201,075,490	177,069,527
Unused portion of loans and advances	49,927,967	97,294,065	200,360,932	391,608,612
Foreign exchange swap receivable	(37,041,417)	(148,647,206)	(11,255,757)	(45,304,422)
Foreign exchange swap payable	37,041,417	148,647,206	11,255,757	45,304,422
	111,190,498	155,390,805	446,207,469	625,447,991
Less: impairment loss allowance	(84,211)	(198,077)	(337,939)	(797,260)
	111,106,287	155,192,728	445,869,530	624,650,731

The impairment loss allowance for off-balance sheet commitments following the National Bank of Cambodia's Prakas No. B7-017-344 and Circular No. B7-018-001 Sor Ror Chor Nor on credit risk classification and provision on impairment for banks as stated in Note 35B(iv) and its movements were analysed as follows:

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
At 1 January	198,077	402,136	797,260	1,642,726
Reversal allowance for impairment loss	(113,866)	(204,059)	(456,717)	(830,724)
Currency translation difference	-	-	(2,604)	(14,742)
At 31 December	84,211	198,077	337,939	797,260

B. Lease commitments

The Bank has operating lease commitments in respect of low-value assets and short-term leases of ATM space and house rentals as follows:

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Within 1 year	258,094	653,958	1,035,731	2,632,181
2 to 3 years	146,846	85,398	589,293	343,727
	404,940	739,356	1,625,024	2,975,908

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

33. Commitments and contingencies (continued)

C. Capital commitments

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Branch decoration and other installations	2,002,017	-	8,034,094	-

D. Tax contingencies

The Bank assesses its tax obligations based on applicable tax laws and regulations as of the reporting date. Given the evolving nature of tax legislation, certain tax treatments may necessitate judgment and interpretation. Management exercises judgment in establishing the Bank's tax positions and continually monitors regulatory developments. While the Bank strives to comply with current tax requirements, interpretations of tax regulations may vary. Any adjustments resulting from regulatory reviews, once conducted and finalised, will be reflected into the financial statements as appropriate.

34. Related parties

A. Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Bank if the Bank has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Bank and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Bank has related party relationships with its parent, substantial shareholders, associates and key management personnel.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Bank either directly or indirectly. The key management personnel include all the Directors of the Bank, and certain senior management members of the Bank.

Key management have banking relationships with the Bank entities which are entered into in the normal course of business and on substantially the same terms, including interest rates and security, as for comparable transactions with other persons of a similar standing or, where applicable, with other employees. These transactions did not involve more than the normal risk of repayment or present other unfavourable features.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

34. Related parties (continued)

B. Transactions with related parties

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
<i>Interest income:</i>				
Related entities	207,410	225,784	831,922	919,167
Key management personnel	121,777	123,847	488,448	504,181
	329,187	349,631	1,320,370	1,423,348
<i>Interest expense:</i>				
Shareholders	566	968	2,270	3,941
Related entities	3,325,248	3,013,736	13,337,570	12,268,919
Key management personnel	1,470,860	1,448,151	5,899,619	5,895,423
	4,796,674	4,462,855	19,239,459	18,168,283
<i>Rental expense:</i>				
Shareholders	273,336	273,336	1,096,351	1,112,751
Related entities	433,617	430,217	1,739,238	1,751,413
	706,953	703,553	2,835,589	2,864,164

C. Compensation of directors and key management

	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Salary and short-term benefits	2,206,550	2,138,800	8,850,472	8,707,055
Board of Directors' fees	18,700	24,000	75,006	97,704
	2,225,250	2,162,800	8,925,478	8,804,759

D. Balances with related parties

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
<i>Deposit from related parties:</i>				
Shareholders (*)	8,740,860	297,539	35,077,071	1,197,594
Related parties (**)	91,552,850	73,494,698	367,401,587	295,816,159
Key management personnel (**)	41,625,129	35,778,392	167,041,643	144,008,028
	141,918,839	109,570,629	569,520,301	441,021,781

(*) This represents deposits from shareholders bear interest rate ranging from 0.00% to 0.50% (2024: from 0.00% to 0.25%) per annum depending on the terms and currency of the deposits.

(**) Deposits from related entities and key management of the Bank bear interest rate ranging from 0.00% to 7.20% (2024: from 0.00% to 7.00%) per annum depending on the terms and currency of the deposits.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

34. Related parties (continued)

D. Balances with related parties (continued)

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
<i>Deposit with related parties:</i>				
Related entities	121,678	160,273	488,294	645,099

This represents the nostro account held with related financial institution for settlement purpose.

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
<i>Loans and advances to related parties:</i>				
Related entities	1,984,713	2,466,508	7,964,653	9,927,695
Key management personnel	2,802,676	2,977,298	11,247,139	11,983,624
	4,787,389	5,443,806	19,211,792	21,911,319

Loans and advances are provided to related entities and key management of the Bank with contractual interest rate ranging from 3.75% to 14.94% (2024: from 3.75% to 14.94%) per annum.

35. Financial risk management

A. Introduction and overview

The Bank has exposure to the following risks from financial instruments:

- credit risk
- market risk;
- liquidity risk; and
- operational risk

This note presents information about the Bank's exposure to each of the above risks, the Bank's objectives, policies, and processes for measuring and managing risk, and the Bank's capital management.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

A. Introduction and overview (continued)

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Financial assets				
Financial assets at amortised costs				
Cash and cash equivalents	397,979,398	318,502,624	1,597,091,324	1,281,973,062
Placement with other banks	40,645,707	112,372,367	163,111,222	452,298,777
Statutory deposits	79,833,733	74,181,963	320,372,771	298,582,401
Loans and advances to customers – net	948,533,725	1,009,128,082	3,806,465,838	4,061,740,530
Investment securities	9,814,681	-	39,386,315	-
Other assets	303,407	193,249	1,217,573	777,827
Total financial assets	<u>1,477,110,651</u>	<u>1,514,378,285</u>	<u>5,927,645,043</u>	<u>6,095,372,597</u>
Financial liabilities				
Financial liabilities at amortised cost				
Deposits from customers	947,228,669	988,050,083	3,801,228,648	3,976,901,584
Deposits from banks and financial institutions	257,720,758	266,778,270	1,034,233,402	1,073,782,537
Borrowings	128,126	155,689	514,170	626,648
Lease liabilities	8,062,625	9,446,651	32,355,314	38,022,770
Other liabilities	2,417,048	3,040,517	9,699,614	12,238,081
Total financial liabilities	<u>1,215,557,226</u>	<u>1,267,471,210</u>	<u>4,878,031,148</u>	<u>5,101,571,620</u>
Net financial assets	<u>261,553,425</u>	<u>246,907,075</u>	<u>1,049,613,895</u>	<u>993,800,977</u>

Risk management functional and governance structure

The Bank's Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board of Directors has established the Bank Asset and Liability Management Committee ("ALCO"), which is responsible for the oversight and strategic management of Bank's balance sheet, activities including balance sheet structure, liquidity, funding, capital management, non-traded interest rate risk and non-traded foreign exchange risks.

The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Bank's activities. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

A. Introduction and overview (continued)

Risk management functional and governance structure (continued)

The Bank's Audit Committee is established by the Board of Directors to provide independent oversight of the Bank's internal and external audit functions, internal control system, financial reporting and to ensure checks and balances within the Bank. The purpose of the Committee is to assist the Board in its review of:

- the work of Bank's internal audit and oversight of external audit activity;
- Bank's financial reporting principles and policies, controls, and procedures; and
- the integrity of Bank's financial statements and the independent audit thereof.

B. Credit risk

Credit risk is the risk of financial loss to the Bank, if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Bank's loans and advances to customers and placements with other banks, and other assets.

For risk management reporting purposes, the Bank considers and consolidates all elements of credit risk exposure – e.g., individual obligor default risk, sector risk, geographical risk, product risk, business risk, etc. Credit risk is the potential loss of revenue and principal losses arising mainly from loans and advances and loan commitments as a result of default by the borrowers or counterparties through its lending activities.

(i) Management of credit risk

The Board of Directors has established the Risk Management Committee ("RMC") to provide oversight of Credit, Operational, Compliance, and Market Risks. The RMC is responsible for supervising the Bank's overall risk profile and is regularly apprised of key risk-related issues affecting the Bank's businesses, including but not limited to the following:

- Endorsing the Bank's credit and market risk appetite, including relevant risk metrics and tolerance thresholds. The RMC monitors credit and market risk metrics on a regular basis in line with the approved reporting frequency to ensure ongoing compliance with the established risk tolerances.
- Performing a delegation power of Credit Approval Discretion ("CAD") to qualified individual to effectively decide on credit related matters. The credit approval authority of authorised individuals (CAD holder) is set in the delegation letters signed by the RMC Chair. CAD holders must be responsible in exercising the assigned CAD and only be allowed to exercise such CAD within the Bank's risk appetite. Credit discretions are reviewed on an annual basis and may be varied based on the CAD holder's performance. Additionally, RMC to review the lending facilities which were approved beyond the delegated CAD.
- Providing advice, guidance, and specialist expertise to business units to promote consistent application of best practice in credit risk management across the Bank.
- Reviewing Risk Models and their performance and stress testing results where applicable. Approving remediation/action plans in relation to breaches of risk tolerances and reporting significant risk issues to the Board of Directors. Identifying and providing early warnings on potential threats/risks to the stability of the Bank's performance and instigating necessary actions to protect the Bank from these threats/risks in both short term and long term.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

B. Credit risk (continued)

(i). Management of credit risk (continued)

- Ensuring the Bank maintains a robust risk management framework covering all operational risks, governance and compliance issues, policies and processes within the Bank, so that it is able to support the Bank's strategy. Investigating and reviewing policy breaches of Credit, Operational, Compliance, and Market Risk and approving remediation actions.
- Reviewing issues raised by internal audit and regulators, and monitoring remediation actions to ensure prompt and effective closure.
- Overseeing and endorsing the development, implementation, and continuous enhancement of the Bank's ECL measurement framework, including:
 - Establishing and validating the methodologies, models, and assumptions used for ECL estimation, including continuous model recalibration to ensure accuracy, reliability, and in compliance with the standard requirements and industry best practices.
 - Defining, monitoring, and assessing the criteria for determining a Significant Increase in Credit Risk (SICR) to ensure the timely and appropriate classification of exposures across different impairment stages.
 - Incorporating forward-looking information into the ECL assessments through the integration of macroeconomic indicators, and other relevant risk factors.
 - Enhancing data governance and reporting to ensure the integrity, consistency, and reliability of information used in the ECL estimation.

(ii). Concentration of risk

The Bank operates and provides loans and advances to individuals and enterprises within the Kingdom of Cambodia. The Bank manages limits and controls concentration of credit risk to avoid over-concentration in any single sector and to take corrective action should it become necessary. Maximum concentration to a single industry will be determined and adjusted from time to time and in accordance with local and global socio-economic circumstances.

The following table presents the Bank's maximum exposure to credit risk for on-balance sheet and off-balance sheet financial instruments, without taking into account any collateral held or other credit enhancements. For on-balance sheet assets, the exposure to credit risk equals their carrying amount. For contingent liabilities, the maximum exposure to credit risk represents the maximum amount that the Bank would have to pay if the obligations under the issued instruments were called upon.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

B. Credit risk (continued)

(ii). Concentration of risk (continued)

Type of credit exposure

	Maximum credit exposure	Maximum credit exposure	Fully subject to collateral/credit enhancement	Partially subject to collateral/credit enhancement	Unsecured and not subject to collateral/credit enhancement
	US\$	KHR'000	%	%	%
31 December 2025					
(Note 6)					
On balance sheet items					
Cash and cash equivalents – net	397,979,398	1,597,091,324	-	-	100%
Placement with other banks – net	40,645,707	163,111,222	-	-	100%
Loans and advances to customers – net	948,533,725	3,806,465,838	92.49%	-	7.51%
Investment securities – net	9,814,681	39,386,315	-	-	100%
Other assets	303,407	1,217,573	-	-	100%
Total	1,397,276,918	5,607,272,272			
Off-balance sheet items					
Bank guarantees	11,153,681	44,759,722	100%	-	-
Letters of credit	50,099,658	201,049,927	100%	-	-
Unused portion of loans and advances	49,852,948	200,059,881	100%	-	-
Total	111,106,287	445,869,530			

	Maximum credit exposure	Maximum credit exposure	Fully subject to collateral/credit enhancement	Partially subject to collateral/credit enhancement	Unsecured and not subject to collateral/credit enhancement
	US\$	KHR'000	%	%	%
31 December 2024					
(Note 6)					
On balance sheet items					
Cash and cash equivalents – net	318,502,624	1,281,973,062	-	-	100%
Placement with other banks – net	112,372,367	452,298,777	-	-	100%
Loans and advances to customers – net	1,009,128,082	4,061,740,530	92.70%	-	7.30%
Other assets	193,249	777,827	-	-	100%
Total	1,440,196,322	5,796,790,196			
Off-balance sheet items					
Bank guarantees	14,102,163	56,761,206	100%	-	-
Letters of credit	43,991,310	177,065,023	100%	-	-
Unused portion of loans and advances	97,099,255	390,824,502	100%	-	-
Total	155,192,728	624,650,731			

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

B. Credit risk (continued)

(ii). Concentration of risk (continued)

Concentration risk by industrial segments

	Cash equivalents in banks – net	Placements with other banks – net	Loans and advances to customers – net	Investment securities – net	Other assets	Total
	US\$	US\$	US\$	US\$	US\$	US\$
31 December 2025						
Financial institutions	397,979,398	40,645,707	72,128,713	9,814,681	-	520,568,499
Services	-	-	30,368,624	-	-	30,368,624
Wholesale and retail	-	-	211,507,453	-	-	211,507,453
Consume items	-	-	202,976,080	-	-	202,976,080
Real Estate	-	-	110,693,273	-	-	110,693,273
Construction	-	-	139,673,177	-	-	139,673,177
Food Industries	-	-	58,914,661	-	-	58,914,661
Manufacturing	-	-	27,653,056	-	-	27,653,056
Others	-	-	94,618,688	-	303,407	94,922,095
Total	397,979,398	40,645,707	948,533,725	9,814,681	303,407	1,397,276,918
Total (KHR'000 – Note 6)	1,597,091,324	163,111,222	3,806,465,838	39,386,315	1,217,573	5,607,272,272

	Cash equivalents in banks – net	Placements with other banks – net	Loans and advances to customers – net	Other assets	Total
	US\$	US\$	US\$	US\$	US\$
31 December 2024					
Financial institutions	318,502,624	112,372,367	97,207,533	-	528,082,524
Services	-	-	30,211,367	-	30,211,367
Wholesale and retail	-	-	239,859,655	-	239,859,655
Consume items	-	-	208,267,816	-	208,267,816
Real Estate	-	-	95,676,682	-	95,676,682
Construction	-	-	152,199,601	-	152,199,601
Food Industries	-	-	61,861,578	-	61,861,578
Manufacturing	-	-	25,436,041	-	25,436,041
Others	-	-	98,407,809	193,249	98,601,058
Total	318,502,624	112,372,367	1,009,128,082	193,249	1,440,196,322
Total (KHR'000 – Note 6)	1,281,973,062	452,298,777	4,061,740,530	777,827	5,796,790,196

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

B. Credit risk (continued)

(ii). Concentration of risk (continued)

Concentration risk by residency and relationship, large-exposures and restructure for loans and advances:

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
By residency status:				
Residents	948,533,725	1,009,128,082	3,806,465,838	4,061,740,530
By relationship:				
Related parties	4,779,162	5,430,833	19,178,777	21,859,103
Non-related parties	943,754,563	1,003,697,249	3,787,287,061	4,039,881,427
	948,533,725	1,009,128,082	3,806,465,838	4,061,740,530
By exposure:				
Large exposures (*)	195,346,319	332,863,854	783,924,778	1,339,777,012
Non-large exposures	753,187,406	676,264,228	3,022,541,060	2,721,963,518
	948,533,725	1,009,128,082	3,806,465,838	4,061,740,530
By concession:				
Restructured (**)	51,368,835	41,041,233	206,143,135	165,190,963
Non-restructured	897,164,890	968,086,849	3,600,322,703	3,896,549,567
	948,533,725	1,009,128,082	3,806,465,838	4,061,740,530

(*) A "large exposure" is defined under the NBC's Prakas as the overall gross exposure of one single beneficiary, which exceeds 10% of the Bank's net worth. The exposure is the higher of the outstanding loans or commitments and the authorised loans or commitments.

(**) A "restructured loan" is a loan that original contractual terms have been modified to provide for concessions for the borrowers for reasons related to temporary financial difficulties.

(iii). Collateral

Whilst the Bank's maximum exposure to credit risk is the carrying amount of the assets or, in the case of off-balance sheet instruments, the amount guaranteed, committed, accepted, or endorsed, the likely exposure may be lower due to offsetting collateral, credit guarantees, and other actions taken to mitigate the Bank's exposure.

The description of collateral for each class of financial asset is set out below.

Cash and cash equivalents, balances with NBC, placement with other banks, investment securities, and other assets

Collateral is generally not sought for these assets.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

B. Credit risk (continued)

(iii). Collateral (continued)

Loans and advances to customers, contingent liabilities, and commitments

Certain loans and advances to customers, as well as contingent liabilities and commitments, are typically secured by a substantial degree of collateral. The primary forms of collateral include, but are not limited to, immovable assets such as lands and buildings, cash deposits, other movable assets, and guarantees. Notwithstanding the presence of collateral, financial assets remain subject to impairment assessment and the recognition of loss allowances under the Expected Credit Loss (ECL).

The table below summarises the Bank's security coverage of its financial assets:

	Collateral/credit enhancement				Unsecured credit exposure	Total	KHR'000 (Note 6)
	Properties	Floating assets	Fixed deposits	Others			
	US\$	US\$	US\$	US\$	US\$	US\$	
31 December 2025							
Cash and cash equivalents – net	-	-	-	-	397,979,398	397,979,398	1,597,091,324
Placements with other banks - net	-	-	-	-	40,645,707	40,645,707	163,111,222
Loans and advances to customers - net	861,263,485	-	16,023,167	-	71,247,073	948,533,725	3,806,465,838
Investment securities – net	-	-	-	-	9,814,681	9,814,681	39,386,315
Other assets	-	-	-	-	303,407	303,407	1,217,573
	<u>861,263,485</u>	<u>-</u>	<u>16,023,167</u>	<u>-</u>	<u>519,990,266</u>	<u>1,397,276,918</u>	<u>5,607,272,272</u>
31 December 2024							
Cash and cash equivalents – net	-	-	-	-	318,502,624	318,502,624	1,281,973,062
Placements with other banks - net	-	-	-	-	112,372,367	112,372,367	452,298,777
Loans and advances to customers - net	908,753,401	-	26,747,477	-	73,627,204	1,009,128,082	4,061,740,530
Other liabilities	-	-	-	-	193,249	193,249	777,827
	<u>908,753,401</u>	<u>-</u>	<u>26,747,477</u>	<u>-</u>	<u>504,695,444</u>	<u>1,440,196,322</u>	<u>5,796,790,196</u>

(iv). Credit quality analysis

On 29 August 2024, the NBC issued a new Circular, No. B7-024-001 on Loan Restructuring, which aims to alleviate customer repayment burdens and stimulate economic growth by increasing cashflow in the economy. The NBC allowed banks to provide the loan restructuring to their customers up to two times between 29 August 2024 until 31 December 2025 without reclassification of credit risk grads and without recognising additional provisions.

Pursuant to the NBC Prakas B7.017.344 Prokor Credit Risk Grading and Impairment Provisioning, it has defined each credit grading according to its credit quality as follows:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

B. Credit risk (continued)

(iv). Credit quality analysis (continued)

Normal

Outstanding facility is repaid on a timely manner and is not in doubt for the future repayment. Repayment is steadily made according with the contractual terms and the facility does not exhibit any potential weakness in repayment capability, business, cash flow and financial position of the borrower.

Special mention

A facility in this class is currently protected and may not be past due but it exhibits potential weaknesses that may adversely affect repayment of the borrower at the future date, if not corrected in a timely manner, and close attention by the bank.

Weaknesses include but are not limited to a declining trend in the business operations of the borrower or in its financial position, and adverse economic and market conditions that all might affect its profitability and its future repayment capacity, or deteriorating conditions on the collateral. This class has clearly its own rational and should not be used as a compromise between Normal and Substandard.

Substandard

A facility ranked in this class exhibits noticeable weakness and is not adequately protected by the current business or financial position and repayment capacity of the borrower. In essence, the primary source of repayment is not sufficient to service the debt, not taking into account the income from secondary sources such as the realization of the collateral.

Factors leading to a substandard classification include:

- Inability of the counterparty to meet the contractual repayments' terms,
- Unfavourable economic and market conditions that would adversely affect the business and profitability of the borrower in the future,
- Weakened financial condition and/or inability of the borrower to generate enough cash flow to service the payments,
- Difficulties experienced by the borrower in repaying other facilities granted by the bank or by other institutions when the information is available, and
- Breach of financial covenants by the borrower.

Doubtful

A facility classified in this category exhibits more severe weaknesses than one classified Substandard such that its full collection on the basis of existing facts, conditions or collateral value is highly questionable or improbable. The prospect of loss is high, even if the exact amount remains undetermined for now.

Loss

A facility is classified loss when it is not collectable, and little or nothing can be done to recover the outstanding amount from the borrower.

Recognition of ECL

ECL represents an estimate of losses that the Bank expects to incur as a result of a credit event, such as a payment default. The bank is required to recognize a loss allowance or provision for each individual account at an amount equal to either a 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk ("SICR") since initial recognition.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

B. Credit risk (continued)

(iv). Credit quality analysis (continued)

Recognition of ECL (continued)

In evaluating whether a Significant Increase in Credit Risk ("SICR") has occurred since the initial recognition of a financial instrument, the Bank conducts a comprehensive evaluation by comparing the likelihood of default of the financial instrument at the reporting date, considering its remaining maturity, with the anticipated default risk at the time of initial recognition. This assessment involves qualitative or non-statistical quantitative assessments or mixture of both that are deemed reasonable, supportable, and its availability without undue cost or effort. The assessment is based on the Bank's historical data and credit assessments, including relevant forward-looking information.

The Bank applies a three-stage approach based on the change in credit quality since initial recognition.

3-Stage approach	Stage 1	Stage 2	Stage 3
	Performing	Underperforming	Nonperforming
Recognition of expected credit losses	12 months expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses
Criterion	No significant increase in credit risk	Credit risk increased significantly	Credit impaired assets
Basic of calculation of profit revenue	On gross carrying amount	On gross carrying amount	On net carrying amount

For the staging criteria applied to each stage for the purpose of ECL computation, the bank applies day past due ("DPD") information, NBC credit risk grading, and internal customer credit rating ("CCR") which are calculated using qualitative and quantitative criteria. These criteria differ depending on the business sector, nature of the exposure, type of product and segment of the borrower.

Short-term facilities (original term of one year or less)

Stage	Credit Risk Status	NBC Class/CCR	DPD	Default Indicator
1	No significant increase in credit risk	Normal/6 or better	0 ≤ DPD ≤ 14	Performing
2	Credit risk increased significantly	Special Mention/7, 8=, 8+	15 ≤ DPD ≤ 30	Underperforming
3	Credit impaired assets	Substandard/8-	31 ≤ DPD ≤ 60	Nonperforming
		Doubtful/9	61 ≤ DPD ≤ 90	
		Loss/10	DPD ≥ 91	

Long-term facilities (original term more than one year)

Stage	Credit Risk Status	NBC Class/CCR	DPD	Default Indicator
1	No significant increase in credit risk	Normal/6 or better	0 ≤ DPD < 30	Performing
2	Credit risk increased significantly	Special Mention/7, 8=, 8+	30 ≤ DPD < 90	Underperforming
3	Credit impaired assets	Substandard/8-	90 ≤ DPD < 180	Nonperforming
		Doubtful/9	180 ≤ DPD < 360	
		Loss/10	DPD ≥ 360	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

B. Credit risk (continued)

(iv). Credit quality analysis (continued)

Recognition of ECL (continued)

The following tables set out information about the credit quality of financial assets measured at amortised cost without taking into account collateral or other credit enhancement. Unless specifically indicated, for financial assets the amounts in the table represent gross carrying amounts. For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively.

	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$
Loans and advances to customers at amortised cost				
Normal	872,307,698	-	-	872,307,698
Special Mention	-	22,436,721	-	22,436,721
Substandard	-	-	7,975,311	7,975,311
Doubtful	-	-	5,924,198	5,924,198
Loss	-	-	57,791,186	57,791,186
	872,307,698	22,436,721	71,690,695	966,435,114
Less: impairment loss allowance	(1,146,026)	(2,031,281)	(14,724,082)	(17,901,389)
Carrying amount (US\$)	871,161,672	20,405,440	56,966,613	948,533,725
Carrying amount (KHR'000 – Note 6)	3,495,971,790	81,887,030	228,607,018	3,806,465,838

	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$
Loans and advances to customers at amortised cost				
Normal	934,107,605	-	-	934,107,605
Special Mention	-	15,536,554	-	15,536,554
Substandard	-	-	1,205,217	1,205,217
Doubtful	-	-	13,888,072	13,888,072
Loss	-	-	61,630,805	61,630,805
	934,107,605	15,536,554	76,724,094	1,026,368,253
Less: impairment loss allowance	(2,659,025)	(2,015,153)	(12,565,993)	(17,240,171)
Carrying amount (US\$)	931,448,580	13,521,401	64,158,101	1,009,128,082
Carrying amount (KHR'000 – Note 6)	3,749,080,535	54,423,639	258,236,357	4,061,740,530

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

B. Credit risk (continued)

(iv). Credit quality analysis (continued)

Recognition of ECL (continued)

	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$
Cash and cash equivalents				
Normal	398,152,748	-	-	398,152,748
Less: Impairment loss allowance	(173,350)	-	-	(173,350)
Carrying amounts (US\$)	397,979,398	-	-	397,979,398
Carrying amounts (KHR'000 – Note 6)	1,597,091,324	-	-	1,597,091,324

	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$
Cash and cash equivalents				
Normal	318,710,181	-	-	318,710,181
Less: Impairment loss allowance	(207,557)	-	-	(207,557)
Carrying amounts (US\$)	318,502,624	-	-	318,502,624
Carrying amounts (KHR'000 – Note 6)	1,281,973,062	-	-	1,281,973,062

	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$
Placements with other banks				
Normal	40,876,863	-	-	40,876,863
Less: Impairment loss allowance	(231,156)	-	-	(231,156)
Carrying amounts (US\$)	40,645,707	-	-	40,645,707
Carrying amounts (KHR'000 – Note 6)	163,111,222	-	-	163,111,222

	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$
Placements with other banks				
Normal	113,297,622	-	-	113,297,622
Less: Impairment loss allowance	(925,255)	-	-	(925,255)
Carrying amounts (US\$)	112,372,367	-	-	112,372,367
Carrying amounts (KHR'000 – Note 6)	452,298,777	-	-	452,298,777

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

B. Credit risk (continued)

(iv). Credit quality analysis (continued)

Recognition of ECL (continued)

	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$
Investment in securities				
Normal	10,030,278	-	-	10,030,278
Less: Impairment loss allowance	(215,597)	-	-	(215,597)
Carrying amounts (US\$)	9,814,681	-	-	9,814,681
Carrying amounts (KHR'000 – Note 6)	39,386,315	-	-	39,386,315

	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$
Investment in securities				
Normal	-	-	-	-
Less: Impairment loss allowance	-	-	-	-
Carrying amounts (US\$)	-	-	-	-
Carrying amounts (KHR'000 – Note 6)	-	-	-	-

	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$
Loans commitment and financial guarantee contracts				
Normal	148,112,103	-	-	148,112,103
Special Mention	-	21,865	-	21,865
Substandard	-	-	26,924	26,924
Doubtful	-	-	12,487	12,487
Loss	-	-	58,536	58,536
	148,112,103	21,865	97,947	148,231,915
Less: impairment loss allowance	(52,832)	(3,578)	(27,801)	(84,211)
Carrying amount (US\$)	148,059,271	18,287	70,146	148,147,704
Carrying amount (KHR'000 – Note 6)	594,161,855	73,386	281,496	594,516,736

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

B. Credit risk (continued)

(iv). Credit quality analysis (continued)

Recognition of ECL (continued)

	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$
Loans commitment and financial guarantee contracts				
Normal	166,556,954	-	-	166,556,954
Special Mention	-	29,665	-	29,665
Substandard	-	-	19,674	19,674
Doubtful	-	-	21,160	21,160
Loss	-	-	19,109	19,109
	<u>166,556,954</u>	<u>29,665</u>	<u>59,943</u>	<u>166,646,562</u>
Less: impairment loss allowance	(120,732)	(41,021)	(36,324)	(198,077)
Carrying amount (US\$)	<u>166,436,222</u>	<u>(11,356)</u>	<u>23,619</u>	<u>166,448,485</u>
Carrying amount (KHR'000 – Note 6)	<u>669,905,795</u>	<u>(45,708)</u>	<u>95,066</u>	<u>669,955,153</u>

Probability of Default (“PD”)

The PD is defined as an estimate of the likelihood that a customer will be unable to meet its debt obligation or default over a particular time horizon, usually in the course of one year. The estimation of ECL requires a 12-month PD and lifetime PD. PD modelling approach is using Month-in-Arrear (“MIA”) Migration Matrix Analysis for long term facilities and Average Observed Default Rate Analysis for short-term facility.

Loss Given Default (“LGD”)

The LGD is defined as the percentage of exposure the Bank might lose in the event that the borrower defaults. These losses are usually expressed as a percentage of Exposure at Default (“EAD”), and depend, amongst others, on the type and amount of collateral as well as the type of borrower and the expected proceeds from the workout of the underlying assets. The Bank uses the loss recovery approach to derive the LGD.

Modification of financial assets

The Bank engages in loan renegotiations with customers experiencing short-term financial difficulties, with the primary objective of optimising collections while mitigating default risks. Loan restructuring is extended to customers who, despite making reasonable repayment efforts under the original contractual terms, face a high risk of default or have already defaulted, but are expected to adhere with the revised terms. The Bank supports such customers by offering various loan restructuring options, including grace periods, full moratoriums, and revised facility terms such as maturity extensions, as well as deferred interest or principal repayments, all in strict compliance with NBC regulations. As part of this assessment, the Bank monitors the borrower’s payment performance under the revised contractual terms and evaluates various behavioural indicators to assess the effectiveness of the modification.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

B. Credit risk (continued)

(iv). Credit quality analysis (continued)

Modification of financial assets (continued)

Even though a small portion of the Bank’s loan portfolio has been restructured, most of these restructured customers continue to demonstrate positive business prospects and remain able to service their regular principal and/ or interest obligations to the Bank. Such customers are required to exhibit consistently satisfactory repayment behaviour over a specified period before the exposure is no longer classified as Stage 2 or Stage 3, after which the associated loss allowance is gradually reverted to Stage 1 in accordance with the Bank’s policy.

Incorporation of forward-looking information

The Bank incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL.

External information considered includes economic data and forecasts published by governmental bodies and monetary authorities in the countries where the Bank operates, supranational organisations such as the International Monetary Fund, and selected private-sector and academic forecasters.

The Bank used the macroeconomic historical data in order to forecast the probability of default. A direct linear regression analysis is used to determine which MEVs are predictive of the portfolio PD and LGD over time and how to weigh the MEVs against each other in the model. A variety of variable selection methods are used in the Direct Regression process to eliminate non-predictive MEVs.

The portfolio-level 12-month Observed Default Rate (“ODR”) is calculated on a quarterly basis using the snapshot months of March, June, September, and December. The “good” or non-defaulted financing at each snapshot month is tracked for the next 12 months to determine whether it becomes “bad” or in defaults.

The Bank has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments in each country and, using an analysis of historical data, has estimated the relationships between macro-economic variables and credit risk and credit losses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

B. Credit risk (continued)

(v). Amounts arising from ECL

Impairment loss allowance

The following tables show reconciliation from the opening to the closing balance of the impairment loss allowance by class of financial instrument.

	2025			
	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$
Loans and advances to customers at amortised cost				
Balance at 1 January	2,659,025	2,015,153	12,565,993	17,240,171
- Transfer to Stage 1	13,350	(10,117)	(3,233)	-
- Transfer to Stage 2	(765,084)	765,254	(170)	-
- Transfer to Stage 3	(713,197)	(1,641,384)	2,354,581	-
Net remeasurement of loss allowance	85,793	140,363	8,683,245	8,909,401
Unwinding of discount	-	-	632,296	632,296
New financial assets originated	406,043	766,242	205,862	1,378,147
Financial assets that been derecognised	(539,904)	(4,230)	(1,862,349)	(2,406,483)
Write-offs	-	-	(7,852,143)	(7,852,143)
Balance at 31 December (US\$)	1,146,026	2,031,281	14,724,082	17,901,389
Balance at 31 December (KHR'000 – Note 6)	4,599,002	8,151,531	59,087,741	71,838,274
	2024			
	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$
Loans and advances to customers at amortised cost				
Balance at 1 January	2,668,481	2,330,683	10,145,442	15,144,606
- Transfer to Stage 1	278,001	(278,001)	-	-
- Transfer to Stage 2	(87,757)	157,264	(69,507)	-
- Transfer to Stage 3	(65,928)	(628,292)	694,220	-
Net remeasurement of loss allowance	(288,135)	658,778	2,577,561	2,948,204
Unwinding of discount	-	-	1,179,195	1,179,195
New financial assets originated	756,849	696,936	1,593,312	3,047,097
Financial assets that been derecognised	(602,486)	(922,215)	(3,554,230)	(5,078,931)
Balance at 31 December (US\$)	2,659,025	2,015,153	12,565,993	17,240,171
Balance at 31 December (KHR'000 – Note 6)	10,702,576	8,110,991	50,578,122	69,391,689

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

B. Credit risk (continued)

(v). Amounts arising from ECL (continued)

Significant Changes in Gross Carrying Amount Affecting Allowance for ECL

The table below provides information how the significant changes in the gross carrying amount of financial instruments in 2025 and 2024 contributed to the changes in the allowance for ECL.

	2025			
	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$
Loans and advances to customers at amortised cost				
Balance at 1 January	934,107,605	15,536,554	76,724,094	1,026,368,253
- Transfer to Stage 1	5,341,451	(2,202,719)	(3,138,732)	-
- Transfer to Stage 2	(7,904,432)	7,905,157	(725)	-
- Transfer to Stage 3	(3,929,124)	(8,351,111)	12,280,235	-
New financial assets originated	406,977,807	9,680,718	1,658,133	418,316,658
Net remeasurement	(44,091,909)	(87,093)	4,897,150	(39,281,852)
Derecognition of financial assets	(418,193,700)	(44,785)	(12,877,317)	(431,115,802)
Write-offs	-	-	(7,852,143)	(7,852,143)
Balance at 31 December (US\$)	872,307,698	22,436,721	71,690,695	966,435,114
Balance at 31 December (KHR'000 – Note 6)	3,500,570,792	90,038,561	287,694,759	3,878,304,112
	2024			
	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$
Loans and advances to customers at amortised cost				
Balance at 1 January	895,837,995	38,762,307	66,380,526	1,000,980,828
- Transfer to Stage 1	2,612,312	(2,612,312)	-	-
- Transfer to Stage 2	(5,040,187)	5,108,563	(68,376)	-
- Transfer to Stage 3	(678,696)	(12,834,088)	13,512,784	-
New financial assets originated	497,048,300	15,170	(760,947)	496,302,523
Derecognition of financial assets	(455,672,119)	(12,903,086)	(2,339,893)	(470,915,098)
Balance at 31 December (US\$)	934,107,605	15,536,554	76,724,094	1,026,368,253
Balance at 31 December (KHR'000 – Note 6)	3,759,783,110	62,534,630	308,814,479	4,131,132,219

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

C. Market risk

Market risk is the risk that changes in market prices – for examples, interest rates, foreign exchange rates and equity prices – will affect the bank's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i). Interest rate risk

Interest rate risk refers to the volatility in net interest income arising from changes in the levels of interest rate and shifts in the composition of assets and liabilities. Interest rate risk is managed through close monitoring of returns on investment, market pricing and the cost of funds. The potential reduction in net interest income resulting from an unfavourable interest rate movement is regularly monitored against the established risk tolerance limits.

The table below summarises the Bank's exposure to interest rate risk. The table indicates the periods in which the financial instruments reprice or mature, whichever is earlier.

	Up to 1 month	> 1-3 months	> 3-6 months	> 6-12 months	> 1 to 5 years	Over 5 years	Non-interest bearing	Total	Interest rate
As at 31 December 2025	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	%
Financial assets									
Cash and cash equivalents – net	162,418,050	20,068,816	-	-	-	-	215,492,532	397,979,398	0% – 5.25%
Placements with other banks – net	20,417,374	-	10,062,835	10,165,498	-	-	-	40,645,707	0.95% – 5.50%
Statutory deposits	-	-	-	-	-	72,333,733	7,500,000	79,833,733	1.04%
Loans and advances to customers – net	31,118,878	74,397,565	134,627,115	46,725,829	232,003,095	429,661,243	-	948,533,725	3.75% – 25.00%
Investment securities – net	-	-	-	-	-	9,814,681	-	9,814,681	8.50%
Other assets	-	-	-	-	-	-	303,407	303,407	Nil
	<u>213,954,302</u>	<u>94,466,381</u>	<u>144,689,950</u>	<u>56,891,327</u>	<u>232,003,095</u>	<u>511,809,657</u>	<u>223,295,939</u>	<u>1,477,110,651</u>	
Financial liabilities									
Deposits from customers	546,690,581	155,530,019	69,009,740	171,695,633	4,302,696	-	-	947,228,669	0% – 8.00%
Deposits from banks and financial institutions	43,150,976	71,789,753	61,633,148	24,378,570	56,768,311	-	-	257,720,758	0% – 7.20%
Borrowings	-	-	-	-	128,126	-	-	128,126	2.50%
Lease liabilities	151,807	282,355	442,597	1,079,258	3,629,724	2,476,884	-	8,062,625	5.50%
Other liabilities	-	-	-	-	-	-	2,417,048	2,417,048	Nil
	<u>589,993,364</u>	<u>227,602,127</u>	<u>131,085,485</u>	<u>197,153,461</u>	<u>64,828,857</u>	<u>2,476,884</u>	<u>2,417,048</u>	<u>1,215,557,226</u>	
Interest sensitivity gap	(376,039,062)	(133,135,746)	13,604,465	(140,262,134)	167,174,238	509,332,773	220,878,891	261,553,425	
KHR'000 equivalents – Note 6	<u>(1,509,044,756)</u>	<u>(534,273,749)</u>	<u>54,594,718</u>	<u>(562,871,944)</u>	<u>670,870,217</u>	<u>2,043,952,418</u>	<u>886,386,990</u>	<u>1,049,613,895</u>	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

C. Market risk (continued)

(i). Interest rate risk (continued)

The table below summarises the Bank's exposure to interest rate risks which includes assets and liabilities at their carrying amounts.

	Up to 1 month	> 1-3 months	> 3-6 months	> 6-12 months	> 1 to 5 years	Over 5 years	Non-interest bearing	Total	Interest rate
As at 31 December 2024	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	%
Financial assets									
Cash and cash equivalents – net	135,018,537	14,979,795	-	-	-	-	168,504,292	318,502,624	0% – 5.85%
Placements with other banks – net	48,589,565	-	19,088,550	44,694,252	-	-	-	112,372,367	0.05% – 7.75%
Statutory deposits	-	-	-	-	-	66,681,963	7,500,000	74,181,963	1.30%
Loans and advances to customers – net	41,833,893	110,142,968	177,304,382	88,482,328	198,742,239	392,622,272	-	1,009,128,082	3.75% – 25.00%
Other assets	-	-	-	-	-	-	193,249	193,249	Nil
	<u>225,441,995</u>	<u>125,122,763</u>	<u>196,392,932</u>	<u>133,176,580</u>	<u>198,742,239</u>	<u>459,304,235</u>	<u>176,197,541</u>	<u>1,514,378,285</u>	
Financial liabilities									
Deposits from customers	492,738,064	141,641,730	115,297,086	208,681,080	29,692,123	-	-	988,050,083	0.00% – 8.00%
Deposits from banks and financial institutions	57,926,817	76,681,397	49,056,565	73,844,980	9,268,511	-	-	266,778,270	0.00% – 7.20%
Borrowings	-	-	-	-	-	155,689	-	155,689	2.50%
Lease liabilities	142,524	263,824	412,290	998,175	4,628,138	3,001,700	-	9,446,651	5.50%
Other liabilities	-	-	-	-	-	-	3,040,517	3,040,517	Nil
	<u>550,807,405</u>	<u>218,586,951</u>	<u>164,765,941</u>	<u>283,524,235</u>	<u>43,588,772</u>	<u>3,157,389</u>	<u>3,040,517</u>	<u>1,267,471,210</u>	
Interest sensitivity gap	(325,365,410)	(93,464,188)	31,626,991	(150,347,655)	155,153,467	456,146,846	173,157,024	246,907,075	
KHR'000 equivalents – Note 6	<u>(1,309,595,775)</u>	<u>(376,193,357)</u>	<u>127,298,639</u>	<u>(605,149,311)</u>	<u>624,492,705</u>	<u>1,835,991,055</u>	<u>696,957,022</u>	<u>993,800,977</u>	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

C. Market risk (continued)

(ii). Foreign currency exchange risk

Foreign currency exchange risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

The Bank has no material exposures to foreign currency exchange risk as it transacts essentially in US Dollars.

Concentration of currency risk

The amounts of financial assets and liabilities, by currency denomination, are as follows:

	Denomination					
	US\$ equivalents					
	US\$	KHR	JPY	AUD	Others	Total
31 December 2025						
Financial assets						
Cash equivalents in banks – net	360,693,121	34,130,720	1,342,210	979,229	834,118	397,979,398
Placement with other banks – net	30,480,209	10,165,498	-	-	-	40,645,707
Statutory deposits	74,644,000	5,189,733	-	-	-	79,833,733
Loans and advances to customers – net	819,796,285	128,737,440	-	-	-	948,533,725
Investment securities - net	-	9,814,681	-	-	-	9,814,681
Other assets	303,407	-	-	-	-	303,407
	<u>1,285,917,022</u>	<u>188,038,072</u>	<u>1,342,210</u>	<u>979,229</u>	<u>834,118</u>	<u>1,477,110,651</u>

	Denomination					
	US\$ equivalents					
	US\$	KHR	JPY	AUD	Others	Total
31 December 2025						
Financial liabilities						
Deposits from customers	880,241,573	64,733,207	1,430,850	640,683	182,356	947,228,669
Deposits from banks and financial institutions	174,458,401	83,250,304	-	-	12,053	257,720,758
Borrowings	128,126	-	-	-	-	128,126
Lease liability	8,062,625	-	-	-	-	8,062,625
Other liabilities	2,417,048	-	-	-	-	2,417,048
	<u>1,065,307,773</u>	<u>147,983,511</u>	<u>1,430,850</u>	<u>640,683</u>	<u>194,409</u>	<u>1,215,557,226</u>
Net asset position	<u>220,609,249</u>	<u>40,054,561</u>	<u>(88,640)</u>	<u>338,546</u>	<u>639,709</u>	<u>261,553,425</u>
KHR'000 – Note 6	<u>885,304,916</u>	<u>160,738,953</u>	<u>(355,712)</u>	<u>1,358,585</u>	<u>2,567,152</u>	<u>1,049,613,895</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

C. Market risk (continued)

(ii). Foreign currency exchange risk (continued)

Concentration of currency risk (continued)

The amounts of financial assets and liabilities, by currency denomination, are as follows: (continued)

	Denomination					
	US\$ equivalents					
	US\$	KHR	JPY	AUD	Others	Total
31 December 2024						
Financial assets						
Cash equivalents in banks – net	283,330,343	31,527,809	1,647,954	841,827	1,154,691	318,502,624
Placement with other banks – net	92,268,760	20,103,607	-	-	-	112,372,367
Statutory deposits	69,084,000	5,097,963	-	-	-	74,181,963
Loans and advances to customers – net	898,960,499	110,167,583	-	-	-	1,009,128,082
Other assets	193,249	-	-	-	-	193,249
	<u>1,343,836,851</u>	<u>166,896,962</u>	<u>1,647,954</u>	<u>841,827</u>	<u>1,154,691</u>	<u>1,514,378,285</u>

	Denomination					
	US\$ equivalents					
	US\$	KHR	JPY	AUD	Others	Total
31 December 2024						
Financial liabilities						
Deposits from customers	917,831,302	68,474,621	935,436	641,374	167,350	988,050,083
Deposits from banks and financial institutions	174,651,922	92,115,274	-	-	11,074	266,778,270
Borrowings	155,689	-	-	-	-	155,689
Lease liability	9,446,651	-	-	-	-	9,446,651
Other liabilities	3,040,517	-	-	-	-	3,040,517
	<u>1,105,126,081</u>	<u>160,589,895</u>	<u>935,436</u>	<u>641,374</u>	<u>178,424</u>	<u>1,267,471,210</u>
Net asset position	<u>238,710,770</u>	<u>6,307,067</u>	<u>712,518</u>	<u>200,453</u>	<u>976,267</u>	<u>246,907,075</u>
KHR'000 – Note 6	<u>960,810,849</u>	<u>25,385,945</u>	<u>2,867,885</u>	<u>806,823</u>	<u>3,929,475</u>	<u>993,800,977</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

C. Market risk (continued)

(ii). Foreign currency exchange risk (continued)

Concentration of currency risk (continued)

Sensitivity analysis

The table below indicates the currencies to which the Bank had significant exposure at the end of the reported periods on its net position gap. The analysis calculates the effect of a reasonably possible movement of the currency rate on the profit or loss and other component of equity. For other currencies, these exposures are grouped as ('Others').

A negative amount in the table reflects a potential net reduction in the Bank's profit, while a positive amount reflects a net potential increase.

	31 December 2025		31 December 2024	
	- 1%	+ 1%	- 1%	+ 1%
	Depreciation	Appreciation	Depreciation	Appreciation
	US\$	US\$	US\$	US\$
For Currency: Possible outcome in US\$				
KHR	404,591	(396,580)	63,708	(62,446)
JPY	(895)	878	7,197	(7,055)
AUD	3,420	(3,352)	2,025	(1,985)
Other	6,462	(6,334)	9,861	(9,666)
	<u>413,578</u>	<u>(405,388)</u>	<u>82,791</u>	<u>(81,152)</u>
KHR'000 – Note 6	<u>1,659,689</u>	<u>(1,626,822)</u>	<u>333,234</u>	<u>(326,637)</u>

D. Liquidity risk

'Liquidity risk' is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from mismatches in the timing and amounts of cash flows, which is inherent to the Bank's operations and investments.

Management of liquidity risk

The Bank manages its liquidity through its Asset Liability Management Committee which is responsible for establishing the liquidity policy as well as monitoring liquidity on an ongoing basis. A Minimum Liquid Asset requirement has been established to ensure that the ratio of liquid assets to qualifying liabilities is subject to a minimum threshold at all times.

The table below summarises the Bank's liabilities based on remaining contractual maturities. The expected cash flows of these assets and liabilities could vary significantly from what is shown in the table. For example, deposits from customers are not all expected to be withdrawn immediately.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

D. Liquidity risk (continued)

Management of liquidity risk (continued)

	Carrying amount	Gross nominal Inflow/ (Outflow)	Up to 1 month	> 1-3 months	> 3-6 months	> 6-12 months	> 1 to 5 years	Over 5 years
As at 31 December 2025	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Financial assets								
Cash and cash equivalents – net	397,979,398	398,593,295	378,400,795	20,192,500	-	-	-	-
Placements with other banks – net	40,645,707	41,443,424	20,468,771	-	10,418,849	10,555,804	-	-
Statutory deposits	72,333,733	72,333,733	-	-	-	-	-	72,333,733
Loans and advances to customers – net	948,533,725	1,293,263,840	48,810,326	139,868,303	123,680,999	105,596,547	510,079,553	365,228,112
Investment securities – net	9,814,681	13,614,713	-	211,918	214,247	426,164	8,508,083	4,254,301
Other assets	303,407	303,407	303,407	-	-	-	-	-
	<u>1,469,610,651</u>	<u>1,819,552,412</u>	<u>447,983,299</u>	<u>160,272,721</u>	<u>134,314,095</u>	<u>116,578,515</u>	<u>518,587,636</u>	<u>441,816,146</u>
Financial liabilities								
Deposits from customers	947,228,669	(961,723,640)	(546,775,758)	(156,640,728)	(70,139,965)	(177,501,705)	(10,665,484)	-
Deposits from banks and financial institutions	257,720,758	(272,447,562)	(43,174,495)	(72,300,011)	(62,398,237)	(25,051,539)	(69,523,280)	-
Borrowings	128,126	(137,685)	(2,598)	(5,196)	(7,793)	(15,587)	(62,348)	(44,163)
Lease liabilities	8,062,625	(9,501,697)	(185,427)	(358,329)	(547,375)	(1,103,417)	(4,531,683)	(2,775,466)
Other liabilities	2,417,048	(2,417,048)	(2,417,048)	-	-	-	-	-
	<u>1,215,557,226</u>	<u>(1,246,227,632)</u>	<u>(592,555,326)</u>	<u>(229,304,264)</u>	<u>(133,093,370)</u>	<u>(203,672,248)</u>	<u>(84,782,795)</u>	<u>(2,819,629)</u>
Off-balance sheet items								
Bank guarantees	-	(11,156,503)	(11,156,503)	-	-	-	-	-
Letters of credit	-	(50,106,028)	(50,106,028)	-	-	-	-	-
Unused portion of loans and advances	-	(49,927,967)	(49,927,967)	-	-	-	-	-
	<u>-</u>	<u>(111,190,498)</u>	<u>(111,190,498)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net liquidity surplus/ (gap)	<u>254,053,425</u>	<u>462,134,282</u>	<u>(255,762,525)</u>	<u>(69,031,543)</u>	<u>1,220,725</u>	<u>(87,093,733)</u>	<u>433,804,841</u>	<u>438,996,517</u>
KHR'000 equivalents – Note 6	<u>1,019,516,395</u>	<u>1,854,544,873</u>	<u>(1,026,375,013)</u>	<u>(277,023,582)</u>	<u>4,898,769</u>	<u>(349,507,151)</u>	<u>1,740,858,827</u>	<u>1,761,693,023</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

D. Liquidity risk (continued)

Management of liquidity risk (continued)

	Carrying amount	Gross nominal inflow/ (Outflow)	Up to 1 month	> 1-3 months	> 3-6 months	> 6-12 months	> 1 to 5 years	Over 5 years
As at 31 December 2024	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Financial assets								
Cash and cash equivalents – net	318,502,624	319,172,851	304,021,885	15,150,966	-	-	-	-
Placements with other banks – net	112,372,367	115,237,410	48,788,331	-	19,581,395	46,867,684	-	-
Statutory deposits	66,681,963	66,681,963	-	-	-	-	-	66,681,963
Loans and advances to customers – net	1,009,128,082	1,359,866,050	60,998,304	199,631,099	145,776,645	146,993,725	446,263,842	360,202,435
Other assets	193,249	193,249	193,249	-	-	-	-	-
	<u>1,506,878,285</u>	<u>1,861,151,523</u>	<u>414,001,769</u>	<u>214,782,065</u>	<u>165,358,040</u>	<u>193,861,409</u>	<u>446,263,842</u>	<u>426,884,398</u>
Financial liabilities								
Deposits from customers	988,050,083	(1,008,826,344)	(492,861,582)	(142,997,725)	(117,707,469)	(217,908,863)	(37,350,705)	-
Deposits from banks and financial institutions	266,778,270	(272,046,851)	(57,993,540)	(77,320,799)	(50,103,946)	(76,684,247)	(9,944,319)	-
Borrowings	155,689	(168,859)	(2,598)	(5,196)	(7,793)	(15,587)	(124,696)	(12,989)
Lease liabilities	9,446,651	(11,540,110)	(182,488)	(351,967)	(534,619)	(1,075,349)	(5,717,185)	(3,678,502)
Other liabilities	3,040,517	(3,040,517)	(3,040,517)	-	-	-	-	-
	<u>1,267,471,210</u>	<u>(1,295,622,681)</u>	<u>(554,080,725)</u>	<u>(220,675,687)</u>	<u>(168,353,827)</u>	<u>(295,684,046)</u>	<u>(53,136,905)</u>	<u>(3,691,491)</u>
Off-balance sheet items								
Bank guarantees	-	(14,104,311)	(14,104,311)	-	-	-	-	-
Letters of credit	-	(43,992,429)	(43,992,429)	-	-	-	-	-
Unused portion of loans and advances	-	(97,294,065)	(97,294,065)	-	-	-	-	-
	<u>-</u>	<u>(155,390,805)</u>	<u>(155,390,805)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net liquidity surplus/ (gap)	<u>239,407,075</u>	<u>410,138,037</u>	<u>(295,469,761)</u>	<u>(5,893,622)</u>	<u>(2,995,787)</u>	<u>(101,822,637)</u>	<u>393,126,937</u>	<u>423,192,907</u>
KHR'000 equivalents - Note 6	<u>963,613,477</u>	<u>1,650,805,598</u>	<u>(1,189,265,788)</u>	<u>(23,721,829)</u>	<u>(12,058,043)</u>	<u>(409,836,114)</u>	<u>1,582,335,921</u>	<u>1,703,351,451</u>

E. Operational risk

The operational risk is the risk of losses arising from inadequate or failed internal processes, people or systems or from external factors. This risk is managed through established operational risk management processes, proper monitoring and reporting of the business activities by control and oversight provided by the senior Management. This includes legal, compliance, accounting and fraud risk.

The operational risk management entails the establishment of clear organizational structures, roles and control policies. Various internal control policies and measures have been implemented. These include the establishment of signing authorities, defining system parameters controls, streamlining procedures and documentation ensuring compliance with regulatory and legal requirements. These are reviewed continually to address the operational risks of its banking business.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

F. Capital management

(i). Regulatory capital

The Bank's objectives when managing capital, which is a broader concept than the "equity" on the face of the statement of financial position, are:

- To comply with the capital requirements set by the NBC;
- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of the business.

The Bank's policy is to maintain a strong capital base so as to maintain market confidence and to sustain further development of the business. The impact of the level of capital on shareholders' return is also recognised and the Bank recognised the need to maintain a balance between the higher returns that might be possible with greater gearing and advantages and security afforded by a sound capital position.

On 9 January 2023, the NBC issued a circular on the implementation of Prakas on Capital Buffer in Banking and Financial Institutions, which the institution shall rebuild the capital conservation buffer ratio by 1.25% and 2.5% by 30 June 2023 and 31 December 2023, respectively. For the countercyclical capital buffer, the institution shall keep at level of 0%.

On 23 November 2023, the NBC has announced to waive the implementation of Capital Conservation Buffer at 2.5% and maintain at 1.25% until 31 December 2024. For the countercyclical capital buffer, the institution shall keep at level of 0%. On 21 August 2024, NBC has allowed the continuation and implementation of capital conservation buffer ratio at 1.25% until 31 December 2025.

The NBC requires all commercial banks or the Bank to i) hold the minimum capital requirement, ii) maintain the Bank's net worth at least equal to the minimum capital and iii) comply with solvency and liquidity ratios. On 8 January 2025, the NBC has further issued instruction No. B37-025-023 Sor.Chur.Nor to provide options to Bank and deposit taking institutions in implementation on the new Capital Adequacy framework or former Solvency framework. On 27 February 2025, the Bank received approval from the NBC to continue applying the former Solvency framework until 31 December 2025.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35. Financial risk management (continued)

F. Capital management (continued)

(i). Regulatory capital (continued)

The below table summarises the composition of the regulatory capital:

	31 December		31 December	
	2025	2024	2025	2024
	US\$	US\$	KHR'000	KHR'000
			(Note 6)	(Note 6)
Tier 1 capital				
Share capital	75,000,000	75,000,000	300,975,000	301,875,000
General reserve	103,000,000	103,000,000	413,339,000	414,575,000
Retained earnings	51,146,923	33,098,334	205,252,602	133,220,794
Less: Intangible assets	(6,321,469)	(8,262,729)	(25,368,055)	(33,257,484)
Less: Loan to related parties	(4,787,389)	(5,443,806)	(19,211,792)	(21,911,319)
	<u>218,038,065</u>	<u>197,391,799</u>	<u>874,986,755</u>	<u>794,501,991</u>
Tier 2 complementary capital				
General provision	12,083,055	13,439,164	48,489,300	54,092,635
Provision for accrued interest receivables (*)	-	12,323,904	-	49,603,714
Less: Equity participation in banking or financial institutions	-	-	-	-
	<u>12,083,055</u>	<u>25,763,068</u>	<u>48,489,300</u>	<u>103,696,349</u>
	<u>230,121,120</u>	<u>223,154,867</u>	<u>923,476,055</u>	<u>898,198,340</u>

(*) The provision for accrued interest receivables is allowed to be added back by the NBC in accordance with its notification letter dated 5 February 2025. This requirements remain in effect solely for the duration of 31 December 2024 through 30 June 2025.

(ii). Capital allocation

The allocation of capital between specific operations and activities is, to a large extent, driven by optimisation of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily upon the regulatory capital.

36. Fair values of financial assets and liabilities

Financial instruments comprise financial assets, financial liabilities and off-balance sheet instruments. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The information presented herein represents the estimates of fair values as at the financial position date.

Quoted and observable market prices, where available, are used as the measure of fair values of the financial instruments. Where such quoted and observable market prices are not available, fair values are estimated based on a range of methodologies and assumptions regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

36. Fair values of financial assets and liabilities (continued)

Fair value information for non-financial assets and liabilities are excluded as they do not fall within the scope of CIFRS 7: Financial Instruments Disclosures which requires the fair value information to be disclosed.

The fair value of the Bank's financial instruments such as cash and short-term funds, placements with banks and other financial institutions, deposits from customers and banks, other assets, other liabilities and short-term borrowings are not materially sensitive to shifts in market profit rate because of the limited term to maturity of these instruments. As such, the carrying value of these financial assets and liabilities at financial position date approximate their fair values.

The fair values are based on the following methodologies and assumptions:

Placement with other banks

Placement with other banks include non-interest bearing current accounts and savings deposits. The fair value of placements with other financial institutions approximates the carrying amount.

Loans and advances and others

For fixed rate loans with remaining period to maturity of less than one year, the carrying amounts are generally reasonable estimates of their fair values.

For fixed rate loans with remaining period to maturity of one year and above, fair values are estimated by discounting the estimated future cash flows using a current lending rate as the prevailing market rates of loans with similar credit risks and maturities have been assessed as insignificantly different to the contractual lending rates. As a result, the fair value of non-current loan and advances to customers are approximate to their carrying value as reporting date

Investment securities measured at amortised cost

For fixed rate investment securities with remaining period to maturity of less than or more than one year, the carrying amounts are generally reasonable estimates of their fair values.

Deposits from banks, other financial institutions and customers

The fair values of deposits payable on demand (current and savings accounts), or deposits with remaining maturity of less than one year are estimated to approximate their carrying amounts. The fair values of deposits with remaining maturity of more than one year are estimated based on discounted cash flows using prevailing market rates for similar deposits from banks and customers and are expected to approximate their carrying amount because the Bank offers similar interest rate of the instrument with similar maturities and terms.

Other financial assets and liabilities

The carrying amounts of other financial assets and other financial liabilities are assumed to approximate their fair value as these terms are met not materially sensitive to the shift in market interest rates and have a short duration.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

36. Fair values of financial assets and liabilities (continued)

Fair value hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources and unobservable inputs reflect the Bank's market assumptions. The fair value hierarchy is as follows:

- Level 1 – Quoted price (unadjusted) in active markets for the identical assets or liabilities. This level includes listed equity securities and debt instruments.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 – Inputs for asset or liability that are not based on observable market data (unobservable inputs). This level includes equity instruments and debt instruments with significant unobservable components.

The Bank's financial assets and liability are not measured at fair value. As verifiable market prices are not available, market prices are not available for a significant proportion of the Bank's financial assets and liabilities, the fair values, therefore, have been based on management assumptions according to the profile of the asset and liability base. In the opinion of the management, the carrying amounts of the financial assets and liabilities included in the statement of financial position are a reasonable estimation of their fair values.

37. Material accounting policies

The Bank has consistently applied the following material accounting policies to all periods presented in these financial statements, unless otherwise indicated. The new currently effective requirements do not have significant impact on the Bank's financial statements.

A. Basis of measurement

The financial statements have been prepared on a historical cost basis, except for financial instruments at FVTPL which are amortised at FV.

B. Foreign currency

Transactions in foreign currencies are translated into the functional currency at the spot exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the spot exchange rate at the reporting date. The foreign currency gain or loss on monetary items is the difference between the amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in the foreign currency translated at the spot exchange rate at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the spot exchange rate at the date on which the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the spot exchange rate at the date of the transaction.

Foreign currency differences arising on transaction are generally recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

C. Financial assets and financial liabilities

(i) Recognition and initial measurement

The Bank initially recognises loans and advances, deposits and borrowings on the date on which they are originated. All other financial instruments are recognised on the trade date, which is the date on which the Bank becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification

Financial assets

On initial recognition, a financial asset is classified as measured at: 'amortised cost', 'fair value through other comprehensive income' ("FVOCI") or 'fair value through profit or loss' ("FVTPL").

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

On initial recognition of an equity investment that is not held for trading, the Bank may irrevocably elect to present subsequent changes in fair value in 'other comprehensive income' ("OCI"). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL

In addition, on initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Bank makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

C. Financial assets and financial liabilities (continued)

(ii). Classification (continued)

Financial assets (continued)

Business model assessment (continued)

- how the performance of the portfolio is evaluated and reported to the Bank's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest ("SPPI")

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making the assessment, the Bank considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Bank's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

In some cases, loans made by the Bank that are secured by collateral of the borrower limit the Bank's claim to cash flows of the underlying collateral (non-recourse loans). The Bank applies judgment in assessing whether the non-recourse loans meet the SPPI criterion. The Bank typically considers the following information when making this judgement:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

C. Financial assets and financial liabilities (continued)

(ii). Classification (continued)

Financial assets (continued)

Assessment of whether contractual cash flows are solely payments of principal and interest ("SPPI") (continued)

- whether the contractual arrangement specifically defines the amounts and dates of the cash payments of the loan;
- the fair value of the collateral relative to the amount of the secured financial asset;
- the ability and willingness of the borrower to make contractual payments, notwithstanding a decline in the value of collateral;

Non-recourse loans

The Bank typically considers the following when making this judgement:

- whether the borrower is an individual or a substantive operating entity or is a special-purpose entity;
- the Bank's risk of loss on the asset relative to a full-recourse loan;
- the extent to which the collateral represents all or a substantial portion of the borrower's assets; and
- whether the Bank will benefit from any upside from the underlying assets.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Bank changes its business model for managing financial assets.

Financial liabilities

Financial liabilities are generally classified as other financial liabilities and measured at amortised cost unless they meet the criteria for 'fair value through profit or loss'.

(iii). Derecognition

Financial assets

The Bank derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or the Bank neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Financial liabilities

The Bank derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

C. Financial assets and financial liabilities (continued)

(iv). Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, then the Bank evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised (see (iii)) and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in profit and loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Bank plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place (see below for write-off policy). This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Bank first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit and loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method (see Note 370).

Financial liabilities

The Bank derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and consideration paid is recognised in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

C. Financial assets and financial liabilities (continued)

(iv). Modifications of financial assets and financial liabilities (continued)

Interest rate benchmark reform

If the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, then the Bank updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e., the basis immediately before the change.

If changes are made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, then the Bank first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Bank applies the policies on accounting for modifications set out above to the additional changes.

(v). Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Bank has a legal right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(vi). Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Bank measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If there is no quoted price in an active market, then the Bank uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Bank determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

C. Financial assets and financial liabilities (continued)

(vi). Fair value measurement (continued)

inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Bank measures assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Bank on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for the particular risk exposure. Portfolio-level adjustments – e.g. bid-ask adjustment or credit risk adjustments that reflect the measurement on the basis of the net exposure – are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

The Bank recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

(vii). Impairment

The Bank recognises loss allowances for ECL on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- financial guarantee contract issued; and,
- loan commitments issued.

The Bank measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

C. Financial assets and financial liabilities (continued)

(vii). Impairment (continued)

Life-time ECL are the ECL that result from all possible default events over the expected life of the financial instrument. Financial instruments for which a lifetime ECL is recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments'. Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit-impaired.

Financial instruments for which lifetime ECL are recognised and that are credit-impaired are referred to as 'Stage 3 financial instruments'.

At each reporting date, the Bank assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECL.

In evaluating whether there has been a significant increase in credit risk associated with a financial instrument since its initial recognition, the Bank conducts a thorough evaluation between the likelihood of default on the financial instrument at the reporting date, considering its remaining maturity, and the anticipated default risk done at the time of initial recognition. This assessment involves both quantitative and qualitative factors that are deemed reasonable, supportable, and its availability without undue cost or effort. It depends on the Bank's historical data and credit assessments, which include forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECL.

The maximum period considered when estimating ECL is the maximum contractual period over which the Bank is exposed to credit risk.

Determining whether credit risk has increased significantly

The Bank assesses whether credit risk has increased significantly since initial recognition at each reporting date. Determining whether an increase in credit risk is significant depends on the characteristics of the financial instrument and the borrower, and the geographical region.

The Bank considers that a significant increase in credit risk occurs no later than when an asset is more than 14 days (short-term facilities) and 29 days (long-term facilities) past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on instrument returns to being measured as 12-month ECL.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

C. Financial assets and financial liabilities (continued)

(vii). Impairment (continued)

Definition of default

The Bank considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Bank in full, without recourse by the Bank to actions such as realising security (if any is held); or
- the borrower is more than 30 days past due for short-term facilities or more than 89 days past due for long-term facilities on any material obligation to the Bank; or
- it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Bank expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Bank expects to recover.

When discounting future cash flows, the following discount rates are used:

- financial assets other than purchased or originated credit-impaired ("POCI") financial assets and lease receivables: the original effective interest rate or an approximation thereof;
- undrawn loan commitments: the effective interest rate, or an approximation thereof, that will be applied to the financial asset resulting from the loan commitment; and
- financial guarantee contracts issued: the rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows.

Inputs, assumptions and techniques used for estimating impairment

The key inputs into the measurement of ECL are the term structure of the following variables:

- Probability of default ("PD");
- Loss given default ("LGD"); and
- Exposure at default ("EAD").

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

C. Financial assets and financial liabilities (continued)

(vii). Impairment (continued)

Inputs, assumptions and techniques used for estimating impairment (continued)

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

LGD is the magnitude of the likely loss if there is a default. The Bank estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset.

EAD represents the expected exposure in the event of a default. The Bank derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortisation. The EAD of a financial asset is its gross carrying amount at the time of default. For lending commitments, the EAD is potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. For some financial assets, EAD is determined by modelling the range of possible exposure outcomes at various points in time using scenario and statistical techniques.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Bank measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the Bank considers a longer period. The maximum contractual period extends to the date at which the Bank has the right to require repayment of an advance or terminate a loan commitment or guarantee.

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL is measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

C. Financial assets and financial liabilities (continued)

(vii). Impairment (continued)

Credit-impaired financial assets

At each reporting date, the Bank assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Bank on terms that the Bank would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a loan that is overdue for 30 days for short-term facilities or 89 days for long-term facilities is considered credit-impaired even when the regulatory definition of default is different.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: generally, as a provision; and
- where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision.

Write-off

Loans and advances are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are included in 'Impairment losses on financial instruments' in the statement of profit or loss and OCI.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Bank's procedures for recovery of amounts due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

D. General reserves and regulatory reserves

The general reserves are set up for any overall financial risk. The Board of Directors exercises its discretion for the use and maintenance of the general reserves. The transfer from retained earnings to general reserves is subject to the approval of the Board of Directors of the Bank.

Regulatory reserves are set up for the variance of provision between loan impairment in accordance with CIFRS Accounting Standards and regulatory provision in accordance with National Bank of Cambodia's Prakas No. B7-017-344 dated 1 December 2017 and Circular No. B7-018-001 Sor Ror Chor Nor dated 16 February 2018 on credit risk classification and provision on impairment for banks and financial institutions. In accordance with Article 73, the entity shall compare the provision calculated in accordance with Article 49 to 71 and the provision calculated in accordance with Article 72, and record:

- (i) In case that the regulatory provision calculated in accordance with Article 72 is lower than the provision calculated in accordance with Articles 49 to 71, the entity records the provision calculated in accordance with CIFRS Accounting Standards; and,
- (ii) In case that the regulatory provision calculated in accordance with Article 72 is higher than provision calculated in accordance with Articles 49 to 71, the entity records the provision calculated in accordance with CIFRS Accounting Standards and transfers the difference from retained earnings or accumulated loss account into regulatory reserve in shareholders' equity of the statement of the financial position.

The regulatory reserves are not an item to be included in the calculation of the Bank's net worth.

E. Cash and cash equivalents

'Cash and cash equivalents' include cash and bank balances, demand deposits and short-term highly liquid financial assets with original maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Bank in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

F. Placements with other banks

Placements with other banks are carried at amortised cost using the effective interest rate method in the statement of financial position less allowance for impairment; if any, for uncollectable amount.

G. Statutory deposits

Statutory deposits included in balances with the NBC are maintained in compliance with the Cambodian Law on Banking and Financial Institutions and are determined by the defined percentage of the minimum share capital and the customers' deposits as required by the NBC.

H. Loans and advances

Loans and advances captions in the statement of financial position include loans and advances measured at amortised cost; they are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest rate method.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

I. Investment securities

The 'investment securities' caption in the statement of financial position includes debt investment securities measured at amortised cost (see Note 37C(iii)); these are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method.

J. Other assets

Other assets are carried at cost less impairment if any.

K. Property and equipment

(i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

The gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of property and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Bank, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

K. Property and equipment (continued)

(iii) Depreciation (continued)

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property and equipment.

Depreciation is recognised from the date that the property and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current period are as follows:

	Years
Computers	3 to 5
Furniture and equipment	3 to 8
Motor vehicles	5
Leasehold improvements*	5 to 8

(*) Leasehold improvements are depreciated over the improvements' useful life of 5 to 8 years or the term of the relevant lease, whichever is shorter.

Depreciation methods, useful lives and residual values are reassessed at end of the reporting period and adjusted if appropriate.

Work in progress is not depreciated until such times as the relevant assets are completed and put into operational use.

L. Intangible assets

Intangible assets comprise of software including costs incurred in acquiring and building software, which is not integral to the operation of hardware, and are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Software costs are amortised on a straight-line basis over the expected useful lives from 5 to 7 years.

Subsequent expenditure on intangible assets are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as it is incurred.

Amortisation methods, useful lives and residual value are reassessed at end of reporting and adjust if appropriate.

M. Leases

At inception of a contract, the Bank assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for period of time in exchange for consideration.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

M. Leases (continued)

To assess whether a contract conveys the right to control the use of an identified asset, the Bank assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right throughout the period of use, then the asset is not identified;
- the Bank has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Bank has the right to direct the use of the asset. The Bank has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In cases where all the decisions about how and for what purpose the asset is used are predetermined, the Bank has the right to direct the use of the asset if either:
 - the Bank has the right to operate the asset; or
 - the Bank designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 January 2018.

At inception or on reassessment of a contract that contains a lease and non-lease component, the Bank allocates the consideration in the contract to each lease component and aggregate of non-lease components on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Bank has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Leases in which the Bank is a lessee

An arrangement conveyed the right to use the asset if one of the following was met:

- the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
- the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
- facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

The Bank recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

M. Leases (continued)

Leases in which the Bank is a lessee (continued)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The estimated useful lives for the current period are as follows:

- Building and office branches 3 to 15 years

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, to the lessee's incremental borrowing rate. Generally, the Bank uses its incremental borrowing rate as the discount rate.

The Bank determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustment to reflect the terms of the lease and type of asset leased.

Lease payments included in the measurement of the lease liability comprise:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Bank is reasonably certain to exercise, lease payments in an optional renewal period if the Bank is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Bank is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in the lease term, a change in the assessment of the option to purchase the underlying asset, a change in future lease payments arising from a change in an index or rate, or if there is a change in the Bank's estimate of the amount expected to be payable under a residual value guarantee.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Bank has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machineries that have a lease term of 12 months or less and leases of low-value assets, including ATM Space. The Bank recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

N. Deposits from other banks and financial institutions, and customers

Deposits from other banks and financial institutions, and customers are initially measured at fair value minus incremental direct transaction costs, and subsequently measured at amortised cost using effective interest method.

O. Borrowings

Borrowings are initially measured at fair value minus incremental direct transaction costs, and subsequently measured at amortised cost using effective interest method.

P. Employee benefits

(i). Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii). Other long-term employee benefits

The Bank's net obligation in respect of long-term employee benefits is the amount of the benefit that employees have earned in return for their service in the current and prior periods including seniority. That benefit is discounted to determine its present value. Remeasurements are recognised in profit and loss in the period in which they arise.

Q. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of the ordinary share are recognised as a deduction from equity, net of any tax effects. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument. Distributions to holders of a financial instrument classified as an equity instrument are charged directly to equity.

R. Provisions

Provisions are recognised in the statement of financial position when the Bank has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

S. Interest income and expense

Effective interest rate (EIR)

Interest income and expense are recognised in profit and loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

S. Interest income and expense (continued)

Effective interest rate (EIR) (continued)

When calculating the EIR for financial instruments other than purchased or originated credit-impaired assets, the Bank estimates future cash flows considering all contractual terms of the financial instrument, but not ECL. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including ECL.

The calculation of the EIR includes transaction costs and fees paid or received. A contractual interest rate is used in replacement of the EIR when management assesses that transaction costs and fees are not an integral part of the EIR and that the impact is not material to the financial statements. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

Amortised cost and gross carrying amount

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest rate method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

Calculation of interest income and expense

The EIR of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating interest income and expense, the EIR is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. The EIR is revised as a result of periodic re-estimation of cash flows of floating rate instruments to reflect movements in market rates of interest. The EIR is also revised for fair value hedge adjustments at the date amortisation of the hedge adjustment begins.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the EIR to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted EIR to the amortised cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

Presentation

Interest income calculated using the effective interest rate method is presented in the statement of profit or loss and OCI includes interest on financial assets measured at amortised cost.

Interest expense presented in the statement of profit or loss and OCI includes interest on financial liabilities measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

T. Fee and commission

Fee and commission income and expense that are integral to the effective interest rate of a financial asset or financial liability are included in the effective interest rate.

Other fee and commission income are recognised as the related services are performed.

A contract with a customer that results in a recognised financial instrument in the Bank's financial statements may be partially in the scope of CIFRS 9 and partially in the scope of CIFRS 15. If this is the case, then the Bank first applies CIFRS 9 to separate and measure the part of the contract that is in the scope of CIFRS 9 and then applies CIFRS 15 to the residual.

U. Impairment of non-financial assets

The carrying amounts of the Bank's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

V. Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except items recognised directly in equity or in other comprehensive income.

The Bank has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore has accounted for them under CIAS 37 Provisions, Contingent Liabilities and Contingent Assets and has recognised the related expenses in 'other expenses'.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. Material accounting policies (continued)

V. Income tax (continued)

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income for the period using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous period. It is measured using tax rates exacted or substantively enacted at the reporting date.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognised for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Bank expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

W. Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

X. Contingent assets

Where it is not possible that there is an inflow of economic benefits, or the amount cannot be estimated reliably, the asset is not recognised in the statement of financial position and is disclosed as a contingent asset, unless the probability of inflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets unless the probability of inflow of economic benefits is remote.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

38. New and amended accounting standards and interpretations

A. New and amended accounting standards and interpretations adopted

The Bank have applied the following standards and amendments for the first time for their annual reporting period commencing on 1 January 2025:

- Lack of Exchangeability – Amendments to CIAS 21.

The amendments listed above did not have any significant impact on the financial statements in prior periods and are not expected to significantly affect the current or future periods.

B. New standards and interpretations not yet adopted

A number of new accounting standards and amendments to accounting standards are effective for annual periods beginning after 1 January 2026 and earlier application is permitted. However, the Bank has not early adopted the new and amended accounting standards in preparing these financial statements.

(i). Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the International Accounting Standards Board (IASB) issued Amendments to the classification and Measurement of Financial Instruments which amended IFRS 9 and IFRS 7.

The requirements will be effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted, and are related to:

- recognition and derecognition, including accounting for settlement of financial liabilities using electronic payments system; and
- assessing contractual cash flow characteristics of financial assets, including those with sustainability-linked features.

The Bank is in the process of assessing the impact of the new amendments.

(ii). CIFRS 18 Presentation and Disclosures in Financial Statements (continued)

CIFRS 18 will replace CIAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.

Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

38. New and amended accounting standards and interpretations (continued)

The Bank is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Bank's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Bank is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'.

(iii). Other accounting standards

The following amended standards and interpretations are not expected to have a significant impact on the Bank's financial statements:

Effective Date	New accounting standards or amendment
1 January 2026	<ul style="list-style-type: none">• Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7).• Annual Improvements to CIFRS Accounting Standards (Volume 11).
1 January 2027	<ul style="list-style-type: none">• CIFRS 19 Subsidiaries without Public Accountability: Disclosures.

39. Events since the reporting period

At the date of this report, there have been no significant events occurring after the reporting date which would require adjustments or disclosures to be made in the financial statement.

OTHER INFORMATION

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BRANCH DIRECTORY



LOCAL BRANCH OF J TRUST ROYAL BANK PLC. PHNOM PENH LOCAL BRANCHES

Local Branch of
J Trust Royal Bank
Plc. (Khan Doun
Penh-Sangkat Srah
Chak)

Royal Railway Building,
Russian Federation Blvd,
Phum 3, Sangkat Srah
Chak, Khan Doun Penh,
Phnom Penh

PREMIER BRANCH

Local Branch of
J Trust Royal Bank
Plc. (Khan Saensokh-
Sangkat Ou Baek
K'am "A")

No 1 E0&E1, Russian
Federation Blvd.,
Phum Trong Moan,
Sangkat Ou Baek K'am,
Khan Saensokh,
Phnom Penh

Local Branch of
J Trust Royal Bank
Plc. (Khan
Saensokh-Sangkat
Ou Baek K'am "B")

No 1A & 1B E0- E2,
Street No 271, Phum
Trapeang Chhuk,
Sangkat Ou Baek K'am,
Khan Saensokh,
Phnom Penh

Local Branch of
J Trust Royal Bank
Plc. (Khan Chamkar
Mon-Sangkat Phsar
Daeum Thkov)

No 616A&B E0-E2,
Street No 271, Phum 6,
Sangkat Phsar Daeum
Thkov, Khan Chamkar
Mon, Phnom Penh

Local Branch of
J Trust Royal Bank
Plc. (Khan Doun
Penh-Sangkat Phsar
Kandal Ti Muoy)

No 265&267 E0,
Preah Sisowath Quay,
Phum 5, Sangkat
Phsar Kandal Ti Muoy,
Khan Doun Penh,
Phnom Penh

Local Branch of
J Trust Royal Bank
Plc. (Khan Prampir
Meakkakra-Sangkat
Veal Vong)

Building No 359, 361 &
363, Preah Sihanouk Blvd,
Phum 7, Sangkat Veal
Vong, Khan Prampir
Meakkakra, Phnom Penh

PREMIER BRANCH

Local Branch of
J Trust Royal Bank
Plc. (Khan Boeng
Keng Kang-Sangkat
Boeng Keng Kang
Ti Muoy)

Building No 100,
Preah Sihanouk Blvd,
Phum 5, Sangkat Boeng
Keng Kang Ti Muoy,
Khan Boeng Keng Kang,
Phnom Penh

PREMIER BRANCH

Local Branch of
J Trust Royal Bank
Plc. (Khan Mean
Chey-Sangkat Stueng
Mean Chey 2)

No 23 & 25 E0-E2,
Samdech Monireth Blvd,
Phum Damnak Thum
Muoy, Sangkat Stueng
Mean Chey 2, Khan Mean
Chey, Phnom Penh

Local Branch of
J Trust Royal Bank
Plc. (Khan Pur
Senchey-Sangkat
Chaom Chau 3)

No 1B 2B & 3B,
National Road No4,
Phum Thnal Bambaek,
Sangkat Chaom Chau 3,
Khan Pur Senchey,
Phnom Penh

Local Branch of
J Trust Royal Bank
Plc. (Khan Tuol
Kouk-Sangkat Boeng
Kak Ti Pir)

No 95C, Samdach
Penn Nouth Street,
Phum 14, Sangkat Boeng
Kak Ti Pir, Khan
Tuol Kouk, Phnom Penh

PREMIER BRANCH

Local Branch of
J Trust Royal Bank
Plc. (Khan Chbar
Ampov-Sangkat
Nirouth)

No 72 A B C & D,
National Road No 1,
Phum Kaoh Norea,
Sangkat Nirouth,
Khan Chbar Ampov,
Phnom Penh

PREMIER BRANCH

Local Branch of
J Trust Royal Bank
Plc. (Khan
Saensokh-Sangkat
Phnom Penh Thmei)

Building No C4#01,
B#02, B#03 & D2#04,
Street No 1003, Phum
Bayab, Sangkat Phnom
Penh Thmei, Khan
Saensokh, Phnom Penh

PREMIER BRANCH

Local Branch of
J Trust Royal Bank
Plc. (Khan Chrouy
Changvar-Sangkat
Preaek Lieb)

No F05, National
Road No 6A, Phum Khtor,
Sangkat Preaek Lieb,
Khan Chrouy Changvar,
Phnom Penh



PROVINCIAL BRANCHES

Local Branch of
J Trust Royal Bank
Plc. (Siem Reap
Province)

Building No 566 568 &
570, Sangreach Tep Vong
Sstreet ⊥ Street No 14,
Phum Mondol 1, Sangkat
Svay Dankum, Krong Siem
Reap, Siemreap Province

PREMIER BRANCH

Local Branch of
J Trust Royal Bank
Plc. (Preah
Sihanouk Province)

No 219, Ekareach Street,
Phum Pir, Sangkat Pir,
Krong Preah Sihanouk,
Preah Sihanouk Province


Local Branch of
J Trust Royal Bank
Plc. (Kampong
Cham Province)

Preah Kosamak Nearyroth
Street ⊥ Preah Monivong
Street, Phum Tir Dabpir,
Sangkat Kampong Cham,
Krong Kampong Cham,
Kampong Cham Province

Local Branch of
J Trust Royal Bank
Plc. (Battambang
Province)

No 02 04 & 06, Street No
113 ⊥ 01, Phum Maphey
Osakphea, Sangkat Svay
Por, Krong Battambang,
Battambang Province



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